

Georgia, and been to Washington a number of times; Philadelphia, Boston, and Pennsylvania—

Question. Prior to this \$25,000—you say that was in two payments—wasn't it, fifteen and ten?

Answer. Yes, sir.

Question. Have you got the bank balance there?

Mr. Marks. This is a special account.

Question. This was deposited in the special account?

Answer. Yes.

Question. That was deposited September 11, 1933, the first deposit, both deposits were September 11; one of fifteen thousand, and one of ten thousand. Was it in check or cash?

Answer. Check.

Question. From Mr. Clark?

Answer. Yes.

Question. Two different checks?

Answer. Two different checks.

Question. Had you ever received any similar amounts of any money at all from Mr. Clark?

Answer. In similar amounts? No, sir.

Question. Had you?

Answer. I had received a thousand or \$1,200 for expenses prior to that. But I am not sure of the date.

Question. September 16 you got \$2,200?

Answer. Yes.

Question. Do you know what that was for?

Answer. Expenses.

Question. Now, this \$25,000 was to purchase bonds?

Answer. Yes.

Question. And none were ever purchased?

Answer. No, sir.

Question. You had known Mr. Clark prior to that?

Answer. I have done business with Mr. Clark since 1926.

Question. Of course, \$25,000 was rather a small amount to go into a bond venture, considering that he was a man of his wealth?

Answer. No; not necessarily. If we secured some Chicagos around 40 or 45 or 46, you could purchase quite an amount of Chicago's with that figure.

Question. Was this trip in connection with the investment of this particular amount?

Answer. Yes; all the trips I made were in connection with the study of different places and different conditions. I have been to Asbury Park, and I have been to Atlanta, and various places around, where some were selling away off, and looking the situation over and talking with different people, to see whether there was a chance of those various municipalities coming along and paying up their back interest, and, if there were, and I thought there was a good opportunity to step in and buy their bonds at depreciated prices, and there was every chance there, when bonds got down to these levels, to step in and buy them and make a fair profit, but very often this opportunity was not available.

Question. Did you make any effort to buy any bonds?

Answer. I looked over the situation to see whether I should buy them or not.

Question. I said, did you make any effort to buy any bonds?

Answer. No—I can say that I made an effort; yes.

Question. Out of this amount here?

Answer. Yes.

Question. Where?

Answer. Why, as far as actually going into a firm and saying: "Have you got so and so? I would like to buy it." I didn't do that. But in glancing through the various trade papers and offering sheets of various places I have done that.

Question. What was the September check of \$1,125 that you drew out of this account—September 15?

Answer. Expenses.

Question. September 16, \$6,000. What was that for?

Answer. The same thing.

Question. Expenses?

Answer. No. The \$6,000 is tied in with the other amounts there—the larger amounts.

Question. I am not going to dispute you. But there is your bank balance, showing a check for \$6,000, drawn under date of September 16.

Answer. Well, let me get this record here, and that will probably clarify this thing here [indicating]. I think this will probably clarify this [witness looks at record]. I do not recollect, but I think that probably was drawn in cash and paid back to Christmas.

Question. What is your answer?

Answer. I do not remember what that was, but it was withdrawn in cash and paid back to Christmas.

Question. Well, that is something that you certainly ought to have a receipt for, if you paid back \$6,000 to Christmas. You previously testified that the only thing that you paid Christmas was \$20,000 that you had gotten from him and which you paid back.

Mr. Marks. There was an exchange of checks of \$20,000.

Question. Under date of September 18 you drew out \$20,000?

Answer. Yes.

Question. Now, you deposited \$20,000. Where did you get that \$20,000?

Answer. I deposited \$20,000; that was the Christmas check.

Question. Now, on September 19 you drew a check for \$20,000. Who was that check payable to?

Answer. I believe that—

Question. Was that swapping?

Answer. I believe that was swapping or cash, and that represents the letters of credit.

Question. Well, I know. But where is the check that you say you swapped with Christmas for \$20,000?

Answer. It is here. I can get it. It is outside—these checks that I have out there in the room.

Question. We will adjourn. How long will it take you to get the checks?

Answer. It won't take long.



(Discussion off the record. While an effort is being made to locate the check in another room, a witness on another subject is brought in and examined.)

#### TESTIMONY OF GERALD C. MacGUIRE—Resumed

GERALD C. MacGUIRE, his testimony being resumed, testified as follows:

Mr. MacGUIRE. I cannot find the check; but I can get them, I am sure.

The CHAIRMAN. Why don't you bring all the papers in, and leave them with the committee, and we will look them over later?

The WITNESS. There are some papers that I cannot find.

The CHAIRMAN. Anything that is personal the committee is not interested in.

Mr. Marks. As soon as you gentlemen are finished with us, he can go through the papers with the representatives of the committee and see what it is.

#### Examination by the CHAIRMAN:

Question. Now, where are those two papers [indicating]? You checked out of the Palmer House on September the 29th, and you had been attending the convention of the Legion in 1933 on September 27, didn't you?

Answer. Yes.

Question. And this was the bill that you received from the Palmer House on September 29?

Answer. Oh, yes.

(Discussion off the record.)

The WITNESS. I think I made two trips up there.

The CHAIRMAN. Here is October 1 and October 5.

(Discussion off the record.)

Question. Now, can you tell us what this \$6,000 item of September 16 was for?

Answer. September 16, \$6,000; that was a withdrawal.

Question. Do you know how it was withdrawn, whether it was a withdrawal in cash or what?

Answer. I believe it was withdrawn in cash.

Question. For what purpose was it withdrawn?

Answer. I believe it was to pay back to Christmas.

Question. You believe?

Answer. Yes.

Question. In what manner was it paid back to Christmas?

Answer. In cash.

Question. You previously testified that you only had one transaction in the swapping of checks with Christmas, \$20,000 and until later, when you paid him back the balance?

Answer. No; I believe that was paid back to Christmas in cash.

Question. What have you got to show that?

Answer. I haven't got anything to show it.

Question. Did you receive a receipt from Christmas?

Answer. No, sir; not necessarily; as far as that goes, he is an old friend of mine.

Question. I know, but you swapped checks for \$20,000; you did not give him \$20,000 cash, you gave him a check for \$20,000?

Answer. No, sir.

Question. And now you say that you swapped checks, you give him a check on September 18—at least you deposited it on September 18?

Answer. Yes.

Question. That was a check, wasn't it?

Answer. Yes.

Question. You have a withdrawal here on September 19 of \$20,000; wasn't that check payable to Christmas?

Answer. You see there is a deposit here on the 18th and a withdrawal on the 19th.

Question. Is that what it shows?

Answer. Yes; on the 16th—well, I do not remember, Mr. Chairman. Question. All right. That may not be deposited. It reached your bank the next day. Was that in a check or in cash, or was it payable to Christmas, or what?

Answer. Gee, I do not remember myself.

Question. Wouldn't you remember if you drew a check for \$20,000 to be cashed?

Answer. I have got a \$20,000 check; I believe it is payable to Christmas.

Question. What is this \$3,300 check?

Answer. Well, that must have been expense that I withdrew from that account.

Question. Don't you know? \$3,300?

Answer. Well, that is evidently—I think that—doesn't that jibe up with the letters of credit?

Question. How much did your letters of credit total that you drew between September 21 and September 30, 1933; how much did you draw in letters of credit in Chicago?

Answer. How much does this all total here?

Question. Well, there is one letter of credit for \$300?

Answer. What are the totals?

Mr. Marks. \$15,000.

The WITNESS. It is \$30,300.

Question. \$30,300 that you drew; where did you draw this?

Answer. On the Central Hanover Bank & Trust Co.; I drew them in Chicago.

Question. What account did you draw them on?

Answer. Well, these were letters of credit that were made out to me.

Question. Letters of credit that were made out to you, yes; where did you obtain the letters of credit from?

Answer. From this account.

Question. \$30,300; where did these letters of credit go to?

Answer. How much does this total here? I do not want to get into a jam on this.

(Discussion off the record.)

The CHAIRMAN. I offer both of these in evidence as exhibits. (THE PAPERS REFERRED TO ARE RECEIVED IN EVIDENCE AND MARKED "NEW YORK, 11-21-1934, NO. 1", AND "NEW YORK, 11-21-1934, NO. 2.")



# EXHIBIT NO. 1, NEW YORK, 11-21-1934

CENTRAL HANOVER BANK AND TRUST COMPANY,  
New York, November 21, 1934.

The following is a transcript of drawings against letters of credit purchased by Mr. G. C. MacGuire:

Letter of Credit No. 5676 issued on September 19, 1933, for \$2,300.00

Drawings:

9/21/33 Central Hanover Bank & Trust Co., 42d Street office	\$300.00
9/22/33 1st National Bank of Chicago, Illinois	1,100.00
9/29/33 1st National Bank of Chicago, Illinois	800.00
	<u>\$2,300.00</u>

Letter of Credit No. 4432 issued on September 23, 1933, for \$4,000.00

Drawings:

9/29/33 1st National Bank of Chicago, Illinois	\$4,000.00
	<u>\$4,000.00</u>

Letter of Credit No. 5677 issued on September 23, 1933, for \$9,000.00

Drawings:

9/29/33 1st National Bank of Chicago, Illinois	\$9,000.00
	<u>\$9,000.00</u>

Letter of Credit No. 2704 issued on September 27, 1933, for \$15,000.00

Drawings:

9/30/33 1st National Bank of Chicago, Illinois	\$15,000.00
	<u>\$15,000.00</u>

J. QUIRK,  
Assistant Manager, Foreign Department.

# EXHIBIT NO. 2, NEW YORK, 11-21-1934

MANUFACTURERS TRUST COMPANY,  
New York, N. Y., November 21, 1934.

Mr. G. C. MacGuire,  
53 Broadway, New York City.

DEAR MR. MACGUIRE: In accordance with your request, we have made up a transcript of your special account from September 11, 1933, to March 5, 1934, when the account closed.

A transcript of your regular account, covering a period of 3 years, will be made up and will be ready for you tomorrow.

Very truly yours,  
J. M. VOLLMEYER,  
Assistant Secretary.

MR. G. C. MACGUIRE, SPECIAL,  
52 BROADWAY, NEW YORK, N. Y.

(Duplicate statement)

In account with

MANUFACTURERS TRUST COMPANY  
FIFTY FIVE BROAD STREET  
NEW YORK

Date	Checks	Date	Deposits
Balance brought forward			
Sept. 15	1,125.00—	Sept. 11, 1933	15,000.00
Sept. 16	6,000.00—	Sept. 13	10,000.00
Sept. 19	20,000.00—	Sept. 16	2,200.00
Sept. 23	3,300.00—	Sept. 18	20,000.00
Oct. 5 EC	10—		
Nov. 17	350.00—	Nov. 17	1,000.00
Dec. 1 EC	.02—		
Jan. 3 EC 1934	.02—		
Mar. 5, 1934	574.86—	Mar. 5, 1934	.00*
	Balance		



Question. Now, between September 21 and September 30, 1933, which is exhibit no. 1, statement from the Central Hanover Bank & Trust Co., which shows that a letter of credit was issued in the sum of \$30,300; when did you get those letters of credit and where did you get those letters of credit?

Answer. From the Central Hanover.

Question. When you were in Chicago you obtained them through a different bank?

Answer. They were all cashed in the First National Bank of Chicago.

Question. These were letters of credit that you had previously received before going to Chicago?

Answer. Yes.

Question. Which you cashed in the First National Bank of Chicago?

Answer. That is right; yes.

Question. What did you do with that \$30,300 in Chicago?

Answer. I kept that money in cash and put it in a safe deposit box with the First National Bank.

Question. First National Bank where?

Answer. Chicago.

Question. Yes.

Answer. And I deposited the money in that box.

Question. What became of that money?

Answer. That money was brought back and returned to Mr. Christmas.

Question. In cash?

Answer. Yes.

Question. The whole amount?

Answer. Yes; less whatever expenses I had out there.

Question. The expenses were nominal in comparison to the \$30,000?

Answer. Yes; they might have been \$1,500.

Question. At any rate, you returned to him substantially \$30,000 in cash?

Answer. Yes.

Question. That is in addition to the swapping of the \$20,000?

Answer. Well, off the record, Mr. Chairman, I think this is getting mixed up, isn't it?

Question. Nobody is here to try to confuse you; all we want is facts. You are not under cross-examination. All we ask of you is, when the questions are asked and you understand them, that you answer the questions, and we will obtain the facts; you are the one that can present it; now, that \$30,000 that you have testified to be—fore, that \$30,000 in cash, was returned, you said, to Mr. Christmas?

Answer. Yes.

Question. \$30,300, less expenses of more than \$1,500?

Answer. I do not know what they were any more.

Question. And now that \$30,000 had nothing to do with this \$20,000 transaction, has it?

Answer. Well, I believe that all of these letters of credit are part and parcel of the cash that I withdrew here; so that then there was an excess of \$10,000 that was given to me, and you see there was one \$20,000.

Question. Where did that \$10,000 come from?

Answer. It came from Mr. Christmas.

Question. You have not testified to receiving that; did you receive \$10,000 more from Mr. Christmas?

Answer. Well, Mr. Chairman, all of these letters of credit total \$30,300.

Question. I am not going to argue with you. I simply asked you, Did you receive \$10,000 more from Mr. Christmas?

Answer. I want to clear myself on that.

Question. We want you to be specific on this; do you remember whether you received \$10,000 more from Mr. Christmas; how much did you receive from Mr. Christmas?

Answer. Well, I think I received the \$30,300.

Question. And now, before you stated that you received nothing further because you swapped checks for \$20,000—you gave him a check for \$20,000 and then he gave you a check for \$20,000—and that meant that you got nothing further from him, didn't it?

Answer. I think I said he gave me \$20,000 in a check.

Question. What you testified to was that you gave him \$20,000 to pay back to Clark, and then he gave you \$20,000 back, and that it was simply a swap of checks.

Answer. Yes.

Question. Therefore, he got nothing from you in the final analysis; and he got nothing from you except a check, and the transaction was closed; isn't that true?

Answer. Yes.

Question. This is the first time that you have stated that you got any money at all from Christmas, and now you say that you got \$30,000?

Answer. I believe, as far as my recollection goes, that I withdrew the cash before this amount here [indicating] and bought letters of credit here in the Central Hanover Bank.

Question. But you said originally that that was for the purposes of bond transaction?

Answer. That is correct.

Question. And you certainly did not use it for bond transactions, did you?

Answer. No, sir; I did not.

Question. And now I am going to present these two statements to you; according to your testimony, you received \$15,000 and \$10,000 the same day from Mr. Clark, which you deposited in a special account that you opened at the Manufacturer's Trust Co.; that is true, is it not?

Answer. Yes.

Question. On September 15 you withdrew \$1,125?

Answer. Yes.

Question. You don't know what you withdrew that for? Now, on September 16 you withdrew \$6,000?

Answer. Oh, yes.

Question. And on September 16 you deposited \$2,200?

Answer. Well, that must have been \$2,200 out of this here [indicating].

Question. All right. Why did you withdraw \$6,000 and the same day redeposit \$2,200 out of the same account?



- Answer. I cannot go back to that at all; I cannot say.
- Question. Have you records showing what the transaction was?
- Answer. No, sir; I have not.
- Question. You never dealt in sums like this before, did you?
- Answer. No; I can't say that I have.
- Question. Not for yourself nor anybody else?
- Answer. That is right.
- Question. So this is not an ordinary incident in your life, dealing in sums of this amount?
- Answer. Oh, yes.
- Question. That is true, isn't it?
- Answer. That is right; yes.
- Question. Now, September 16, according to this statement, you had on deposit \$20,175; is that right?
- Answer. Yes.
- Question. Fifteen, ten, and twenty-two hundred make \$27,200, less all the withdrawals, a total of \$7,125, leaving a balance on deposit on September 16 of \$20,075?
- Answer. That is right; yes.
- Question. On September 18 you withdrew \$20,000; that is true, isn't it, leaving a balance of—no; I withdraw that. On September 18 you deposited \$20,000 and on that date made a balance of \$40,075 on deposit; that is right, isn't it?
- Answer. Well, is it right? That is the thing that I am confused about.
- Mr. Marks. Well, according to the statement, it is right.
- Question. Well, all right; according to the statement it is right, and on September 19 there was withdrawn \$20,000?
- Answer. Yes.
- Question. Which brought it back to \$20,075; that is true, isn't it?
- Answer. Yes.
- Question. On September 23 there was a withdrawal of \$3,300 and \$16,700; what was that withdrawal for?
- Answer. Well, there was a letter of credit which was bought on September 22 for \$1,100 and the 23d for \$300—what is the date here again, Mr. Chairman?
- Question. The 23d. On the 23d you withdrew \$300?
- Answer. Yes.
- Question. On the 23d you withdrew two checks, one for \$3,300 and another for \$16,700, a total of \$20,000?
- Answer. September 23?
- Question. What was this withdrawn for—what was that amount withdrawn for?
- Answer. I believe that they were withdrawn for the purpose of buying letters of credit, although I am not sure.
- Question. Now, were those withdrawn in cash?
- Answer. Cash, I believe; yes.
- Question. Now that left a balance of \$75 in the account, didn't it?
- Answer. Apparently; yes.
- Question. October 5 there were other items here totaling—on November 17 you deposited \$1,000 to clean up some item, totaling approximately \$1,000?
- Answer. Yes.
- Question. Now you took those \$20,000, you say, with which you purchased letters of credit, and the record shows that you purchased

- letters of credit for \$30,300; where did you get the difference—from what source did you get the difference to buy these letters of credit?
- Answer. I believe that I got the money from Mr. Christmas.
- Question. Wouldn't you know; \$10,000?
- Answer. I think it was from Mr. Christmas.
- Question. Are you sure?
- Answer. Well, I can't say—well, yes; I am sure.
- Question. Was it in cash or check?
- Answer. I believe it was in cash; it was simply for the reason that I believe I was going away, and it was necessary for me to get letters of credit right away.
- Question. When did you return this \$30,000 to Mr. Christmas?
- Answer. I do not remember the date.
- Question. About when was it? Shortly after the convention?
- Answer. I think it was within 2 weeks after the convention.
- Question. Did you get a receipt for it?
- Answer. No; I did not get a receipt for it.
- Question. You had never had any similar transaction of any kind with Mr. Christmas before?
- Answer. Yes.
- Question. Who is Mr. Christmas?
- Answer. He is Mr. Clark's attorney.
- Question. Now, if you were given \$25,000 by Mr. Clark for the purpose of buying bonds, why did you take out letters of credit and then cash them so quickly after you received it; in other words, on September 11 you received \$25,000, and you say you purchased letters of credit, and with the \$10,300 that Christmas gave you you were going to use that \$25,000 to purchase bonds; why did you cash in those letters of credit, if you were going to use that \$25,000 for Mr. Clark to purchase bonds?
- Answer. Because when you come to a town like Chicago, we had in mind buying some Chicago Sanitary District bonds, and naturally if you want to buy them at the price that you want you have got to have the cash.
- Question. You did not travel all over this country with this \$25,000 to your credit?
- Answer. No; that was in Chicago.
- Question. You were to return this?
- Answer. Yes.
- Question. And thereafter you went all over the country?
- Answer. That same time that I got the money it was connected with the same thing.
- Question. It was connected, you say, with the \$25,000?
- Answer. I said it was connected.
- Question. You said you were going to use that \$25,000 to buy bonds if you found they were good, and they looked as though they were going to go back, if the conditions appeared favorable. Now, what did you do with this money?
- Answer. This money was returned to Mr. Christmas, I believe 2 or 3 weeks after Chicago.
- Question. Did Mr. Christmas deposit it in his bank account?
- Answer. I couldn't say.
- Question. Do you know what Mr. Christmas did with it?
- Answer. I do not.
- (Discussion off the record.)



Question. Who had charge of Mr. Clark's books?

Answer. Mr. Christmas.

Question. Is he in town?

Answer. No; he is in Europe. Here is a cable from him.

Question. No. The cable doesn't interest me; I would rather see him. If this \$25,000 was given to you in connection with bond transactions, why should you have been given \$10,300 more from Mr. Christmas?

Answer. Well, I should say because it might have been that that item of \$1,500 expenses would have to come out of that, and the additional money might have been to buy an approximate \$50,000 par value of bonds, and that would probably be the difference between the two amounts.

Question. Was that so?

Answer. Yes.

Question. How do you know that; you never testified to that before?

Answer. Because we had—I see some bonds that we had on November 11.

Question. Why didn't you tell us about this \$10,000 that you say you remember getting from Mr. Christmas before?

Answer. Well, I do not think you asked me about it, Mr. Chairman.

Question. I asked you about all the moneys that you got; I asked you about all the sources that you could have gotten it from?

Answer. There may be some more money.

Question. Maybe, yes; as a matter of fact, in addition to this \$30,000 less your expenses; this \$30,300 was not including the expenses, was it?

Answer. I think I took the expenses out of that, and returned the difference; now, what the difference is, I cannot say.

Question. Let me ask you this: Why should you have cashed the letters of credit in Chicago and put that money in a safe-deposit box?

Answer. Because I felt that if I had a chance to buy the bonds I could buy them right off for cash.

Question. Wouldn't letters of credit be accepted just as cash?

Answer. They probably would.

Question. Wouldn't they be safer than cash on your person?

Answer. They probably would, yes; but there is no objection to getting the cash, is there?

Question. I just wanted to get your state of mind, that would not be the probable course for an average person to pursue, would it, under the circumstances?

Answer. Well, I think there are people that would have gotten cash in this country.

Question. There are exceptions to every general rule, of course. But I want to ask you this—

Mr. Marks. Mr. Chairman, may I say for the record that we have here a telegram from Mr. Christmas which would answer your question as to where is Mr. Christmas?

The Chairman. I am not going to let in any telegrams; if Mr. Christmas wants to appear and testify under oath, I will be very glad to hear from him.

Mr. Marks. May I say this off the record?

The Chairman. Yes.

(Discussion off the record.)

The Chairman. The chairman is reliably informed that Mr. Christmas is out of the country and left for Europe—how long ago?

The Witness. I believe he left for Europe sometime ago—

Question. Let me ask you, where is Mr. Christmas now?

Answer. As far as I know, he is in Paris.

Question. All right; when did he leave for Europe?

Answer. What is that?

Question. How long ago did he leave for Europe?

Answer. I think about 2½ weeks ago.

Question. Have you a record of the purposes for which you used this—what you have done with this money—a record of your own expenditures?

Answer. The \$30,300?

Question. Yes; have you a record?

Answer. Excepting for expenses, the money was returned to Mr. Christmas.

Question. And you kept a record of your expenses?

Answer. Yes.

Question. Did you keep a written record of when you returned it to Mr. Christmas?

Answer. No; I have not that.

Question. And no receipt was received from him; that is true, is it?

Answer. Yes.

Question. When you went to Europe you kept a record of the \$7,200, and an accurate record, did you not?

Answer. Yes, sir. I might add that the reason for keeping an accurate record of expenses was this—

Mr. Marks. Well, you haven't been asked that.

The Witness. Let us cross that out, then.

Question. It is a fact that from September 21 until October 5, 1933, you were a guest at the Palmer House in Chicago, is it not?

Answer. Yes.

Question. And you were there continuously?

Answer. Yes.

The Chairman. All right, I think that covers the period.

Mr. Marks. To October 8.

The Chairman. Let us, for the record, show that the sum total of those things approximates so much.

Mr. Marks. May I say that the bill to Mr. William Boyle is \$168.

The Chairman. Why not put in the total?

Mr. Marks. The total would be—

The Chairman. Now, don't put the names in.

Mr. Marks. The total would be approximately \$580.

Question. And that you were reimbursed in part from others who were using these rooms, you say?

Answer. Yes.

Question. And now you said that you went down to the general to make him run to be national commander of the Legion?

Answer. Yes; it was to make him run—to feel him out to see if he would be interested in running for national commander.



Question. Well, you were friendly with Johnston, weren't you?  
 Answer. Louis Johnston?  
 Question. Yes.

Answer. He was commander.

Question. What did you want Butler to run for? What was the object in having him run; what was the purpose?

Answer. Because I did not think there was any man outstanding at the time, and I liked General Butler; I liked his personality and his way of handling himself, and I thought he would be a fine man for the command of the Legion.

Question. When did this idea come into your head?

Answer. Oh, I had it in my head for a couple of years.

Question. You hadn't gone to him before?

Answer. No, sir.

Question. You did not go to him, then, before the Miami convention?

Answer. No, sir; now, I didn't go to him for the purpose of getting him to run for commander.

Question. That was not the purpose?

Answer. Absolutely no, sir.

Question. And now, did you talk with any person, as you said you didn't talk with him, about making a speech for the gold standard?

Answer. With General Butler?

Question. Yes.

Answer. No, sir.

Question. Did you talk with anybody about that?

Answer. I talked with Mr. Boyle about the gold standard.

Question. Did you talk with anybody else about making a speech there?

Answer. I do not remember that I did.

Question. Did you try to get anybody to make a speech there?

Answer. No, sir.

Question. Nobody at all in the country?

Answer. No, sir; I do not remember that I did. As a matter of fact, Mr. Chairman, I did not speak to General Butler about making a speech at Chicago for the gold standard; I had in mind the formation of a society, a committee for a sound dollar and a sound currency and, inasmuch as General Butler was a man who went out publicly speaking for a fee to different parts of the country, I thought he would be a fine man to have in that kind of a committee; and when I went down to his place, I believe it was the second time I talked with him about it, and at that time he said, "Well, I have got a publicity agent in New York now, but I am going to get rid of him because this fellow isn't getting me enough business, and" he said, "I am changing to this man here." I forget the man's name, but he showed me a letter from this fellow, and he said he would like to have him handle his publicity, and Butler told me that he got \$350 for a speech, plus his expenses.

Question. Are you friendly with the commander of the Legion this year?

Answer. Belgrano, that is?

Question. Yes.

Answer. Yes.

Question. Didn't you know that he was going to be a candidate?

Answer. He was not a candidate in Chicago; no, sir.

Question. Who is the national commander for 1934?

Answer. Belgrano—Ed Hayes.

Question. Yes. He is the national commander now.

Answer. Belgrano now.

Question. When does the year end?

Answer. In October, at the convention.

Question. The commander of the Legion was Hayes. Were you opposed to him?

Answer. To Hayes? No, sir; I was not; I did not know Hayes at the time I saw Butler; I didn't know that Hayes was going to be a candidate.

Question. Who did you think was going to be a candidate at that time?

Answer. I did not know.

Question. Oh, you had no knowledge of who was going to be a candidate, but you wanted Butler?

Answer. I did not want him exactly, but I thought he was a fine, outstanding man and would make a fine legionnaire, a fine commander, for the simple reason that he is a great man for the soldiers and veterans.

Question. I understand, but what had that to do with the sound dollar?

Answer. What?

Question. What you said, that Mr. Butler would make a fine man for the soldiers?

Answer. Yes.

Question. What had that to do with the purposes of the sound dollar?

Answer. Nothing at all; nothing; simply that Butler was an outstanding man, in my opinion, and if we formed this society, he would be a good man to go out and speak for it, and at the same time sort of advance himself as a candidate, as commander, as I thought he would make a fine commander of the Legion.

Question. But that had nothing to do with the sound-dollar policy at all?

Answer. Absolutely no.

Question. You just offered to get him into this picture more or less as a showman. Was that the purpose of it?

Answer. Absolutely not.

Question. And you did not want to make him commander of the Legion?

Answer. I did not want to make him commander of the Legion. But I thought he would be a fine man to be commander of the Legion.

Question. What did Butler know about the monetary questions, as far as the gold standard and the silver dollar were concerned?

Answer. I did not discuss it very much with General Butler.

Question. As a matter of fact, General Butler did not know anything about those two big subjects dealing with the sound dollar and the gold standard?

Answer. He does not?

Question. No?

Answer. I could not say.



Question. So that you did not want Mr. Butler's speech before the Legion for that purpose at all?

Answer. No, sir.

Question. And you did not want Butler for the purpose of forming this sound-dollar association, because he, in the first place, didn't know anything about money, and was not interested in the question of the gold standard?

Answer. That is right.

Question. That is correct, is it not?

Answer. That is right.

Question. So that now we have this on the record.

Answer. Yes.

By the CHAIRMAN:

Question. In what name did you hire the deposit box in the First National Bank of Chicago?

Answer. If I recall, I think my wife was the one that took it out; Elizabeth W. I believe that. I am not sure.

The CHAIRMAN. Send a wire to the First National Bank of Chicago to find out.

The WITNESS. I think it was a joint account; Elizabeth W., and/or G. C. I think it was a joint account, because, if anything happened to me, my wife could handle it all right, and later I believe I told her the money was there, just to protect myself in case anything happened to me; if I died, or anything, she could return the money to Mr. Christmas.

Question. Was your wife out there?

Answer. Yes; she was in Chicago.

Question. She was with you all the time?

Answer. No; she was not with me all the time.

Question. Where did she live?

Answer. She stayed with friends at Highland Park.

Question. How long had she been there?

Answer. How long had she been there?

Question. Yes.

Answer. I think she came 3 days after I went out there, and she stayed until the convention was over.

Question. That money was not your money, was it?

Answer. No, sir.

Question. So why was it necessary to put it in your joint names? It wasn't your money. You say in case something happened to you, your wife would be able to get hold of it.

Answer. Yes.

Question. But it was not your money. That money belonged to Mr. Christmas, didn't it?

Answer. Yes. It really belonged to Mr. Clark.

Question. Mr. Clark never had the money.

Answer. Mr. Clark and Mr. Christmas were both the same. They both had confidence in me, and knew that any money I got would be returned.

Question. I am just trying to get your point of view. Why was it necessary to put it in a joint account? I expressly asked you why you had to place the money in a joint account, and your answer was, because, "if something happened to me", your wife would be able to return it.

Answer. Yes. My wife would naturally take it back to where it came from; very naturally.

Question. Now, then, you also took the money along for the purpose of buying bonds?

Answer. That is right.

Question. Did you buy any bonds?

Answer. No, sir.

Question. What bonds did they want to buy?

Answer. They had several different items in mind.

Question. What is the name of those bonds?

Answer. I think Chicago Sanitary District 4's.

Question. Whom did you talk to about buying the Chicago Sanitary District 4's?

Answer. I did not talk to anybody.

Question. Whom did you speak to about it?

Answer. I didn't speak to anybody.

Question. Did you make any negotiations for any of those bonds?

Answer. No, sir.

Question. Did you get any prospective bids for those bonds?

Answer. No, sir.

Question. To whom did you speak about the bonds?

Answer. I did not speak to anybody.

Question. Your trip throughout the country was after this, wasn't it, that you went around the country?

Answer. I went around the country before that—no; I went around the country after that.

Question. Where did you get your expenses after that?

Answer. I believe I paid a lot of my own expenses, and I believe, after that, Mr. Clark gave me some more money—a thousand dollars, or \$1,200, as I remember it.

Question. When was it that you went up to Calgary, as you have testified, to buy bonds?

Answer. On that trip, that was in conjunction with a committee for the sound dollar and sound currency, in conjunction with that work, and I also kept my eyes open as regards the bond business.

Question. Well, as a matter of fact, your final purpose was in connection with the sound dollar?

Answer. Yes.

Question. This money was given to you in connection with that, principally?

Answer. Yes. Wait a minute, now. You mean this money here [indicating]?

Question. I mean the whole amount. You were not doing anything wrong, as I see it, if you were using your money to finance a trip to get the sound-dollar idea over on the country, or to get the people interested in falling back on the gold standard. You have a perfect right to spend his money that way if he sees fit. I do not say that there is anything wrong with that. I simply wanted an explanation as to how this money came to you in connection with a campaign to try to get the country back on the gold standard.

Answer. This particular money was not. I want to say this: That after this money was returned, Mr. Clark gave me three \$10,000 checks—just gave them to the Committee for the Sound Dollar. The checks were made out to the Committee for Sound Currency,



and after I had returned from Chicago and had given the money back to Mr. Christmas, Mr. Clark then made out three \$10,000 checks, payable to the Committee for the Sound Dollar, and it was deposited in the committee's account. This money, in my records here, was not for that specific purpose.

Question. So that the books of Christmas, or Clark, should show, some time in October, or within 2 weeks after you returned from the convention, that \$30,000 was given to them, or that a check was made out payable to the order of Christmas, or payable to Clark, whichever it was. That item should be shown somewhere?

Answer. I believe so.

Examination by Mr. Dickstein:

Question. Have you got the books of the Sound Dollar Committee here?

Answer. Yes.

Question. Will you let me look at them?

Answer. Surely. They are all here [indicating]. With the return back to New York, the object then was to form a sound-dollar committee, and, inasmuch as the Legion had gone on record for sound money at the Chicago convention, it was thought then that it would be a very good idea to establish this committee, to get out and talk to the people, and take it up with the Legion, and later on, with the American Federation of Labor, and to take a stand on the sound-dollar policy.

Question. Now, you had thousands of dollars in cash for the purpose of buying, as you call it, letters of credit, and that was bought at the same bank, wasn't it?

Answer. Yes; I believe so.

Question. Why was it necessary to try to cash or to get a letter of credit from a bank where you got the cash from?

Answer. For the simple reason that the Central Hanover was intimately connected with the First National Bank of Chicago, and that was the bank that I wanted to do business through.

Question. The point that I ask you is entirely different; why you wanted letters of credit, when you had thirty thousand or twenty thousand dollars in the Hanover National Bank.

Answer. No; in the Manufacturers.

Question. On the Manufacturers you drew. How much did you draw?

Answer. Can I say this off the record, if you don't mind? I do not want to make any mistaken statements.

Mr. Dickstein. You have got me all puzzled with your book-keeping.

The Witness. I do not want to bring in anything that can be questioned here.

(Discussion off the record.)

By Mr. Dickstein:

Question. Now, you knew you were going to this convention, and you tried to get the convention to adopt in its platform the sound dollar. That was in your mind, wasn't it?

Answer. I talked with probably 200 people out there about that.

Question. I did not ask you that. I merely asked you whether that was in your mind.

Answer. Yes; I think that was in my mind.  
Question. When did you leave the Chicago convention? Do you remember that?

Answer. Well, I think that is brought out here; either the 19th—I think it was the 19th—

Question. The 19th of when? What month?

Answer. Of September.

Question. And you stayed until when?

Answer. October 8, I believe it was.

Question. How long did the convention last?

Answer. October 3, 4, and 5, I believe.

Question. And what did you do after the convention in Chicago?

Answer. I stayed around the hotel a couple of days and then came back to New York.

Question. So you were there altogether how many days in Chicago?

Answer. Well, whatever time that was.

Question. You were there between the 19th—and you were there up until about the 26th?

Answer. Yes.

Question. Of that same month?

Answer. Yes.

Question. Why was it necessary to take all this money down there, knowing that you would be busy at this convention?

Answer. It was not necessarily that I was going to be busy at the convention.

Question. Why was it necessary to have on your bills a special notice, "No information to anybody"?

Answer. That is the general custom, Mr. Dickstein, in every convention that people do not want to be bothered. They simply tell the desk that they don't want to have people bother them. If you have certain rooms for certain purposes, that was all that was necessary.

Question. Were you a delegate there?

Answer. No, sir.

Question. Were you an officer?

Answer. I was on the distinguished guests committee.

Question. Outside of that you had no other office?

Answer. No, sir.

Question. If you were on the distinguished guests committee, don't you think that people who wanted to get in contact with you ought to know where you were located?

Answer. The people who wanted to get into contact with me would know where I was located.

Mr. Dickstein. Mr. Chairman, I would like to offer these records as a Government exhibit—all of them as one exhibit.

The Chairman. This is simply offered in executive session, and the committee would be just as jealous in protecting any person whose name has never appeared in this hearing from being made public.

Mr. Dickstein. I offer them as an exhibit.

(PAPERS REFERRED TO RECEIVED AND MARKED  
"NEW YORK, NOV. 21, 1934, NO. 3.")



## EXHIBIT NO. 3, NEW YORK, 11-21-1934

McGuire, S. C. 2148W-49W 18.00  
 New York City 9/29 W6 4:43 p. m.  
 American Legion. No information to anyone.  
 PALMER HOUSE CHICAGO  
 From folio A 6131  
 To folio No. A 6131.

Memo.	Date	Explanation	Amt. charged	Amt. credited	Balance due <sup>1</sup>
Accept no charges of any kind except telephone calls	1 Sept. 29, 1933	Cash Cr.*	\$0.20	\$108.00	\$108.00
	2 Sept. 29, 1933	Phone	18.00		90.00
	3 Sept. 29, 1933	Rooms*	3.05		86.95
	4 Oct. 30, 1933	L. Dist.*	3.50		83.45
	5 Oct. 30, 1933	L. Dist.*	3.50		79.95
	6 Oct. 30, 1933	L. Dist.*	5.60		74.35
	7 Oct. 30, 1933	L. Dist.*	7.85		66.50
	8 Oct. 30, 1933	L. Dist.*	18.00		48.50
	9 Oct. 30, 1933	Rooms*	2.84		45.66
	10 Sept. 30, 1933	Sundr's (laundry).			45.66
	11 Sept. 30, 1933				45.66
	12 Oct. 1, 1933	L. Dist.*	6.55		39.11
	13 Oct. 1, 1933	Valet*	1.00		38.11
	14 Oct. 1, 1933	Valet*	1.00		37.11
	15 Oct. 1, 1933	Rooms	18.00		19.11
	16 Oct. 1, 1933	Phone*	18.00		1.11
	17 Oct. 2, 1933	Rooms	18.00		1.11
	18 Oct. 2, 1933	Phone	1.00		2.11
	19 Oct. 3, 1933	Phone	1.25		3.36
	20 Oct. 3, 1933	L. Dist.	4.25		7.61
	21 Oct. 3, 1933	L. Dist.	15.00		22.61
	22 Oct. 3, 1933	L. Dist.	18.00		40.61
	23 Oct. 3, 1933	Rooms			40.61
	24 Oct. 3, 1933	Phone	.40		41.01

<sup>1</sup> Pay last amount in this column.  
 Bills are payable when presented.

PALMER HOUSE  
 CHICAGO

McGuire, G. C. 2148 W-49 W 18.00  
 N. Y. C. 9-29. W 6. 4 43 P.M.  
 American Legion. No information to anyone  
 From folio A 6131  
 To folio No. Z 5959

Memo.	Date	Explanation	Amt. charged	Amt. credited	Balance due <sup>1</sup>
	1 Oct. 4, 1933	Balance for- ward			21.79
	2 Oct. 4, 1933	Rooms	\$18.00		3.79
	3 Oct. 4, 1933	Phone	0.10		3.69
	4 Oct. 5, 1933	Laundry	3.60		7.29
	5 Oct. 5, 1933	Laundry	3.08		10.37
	6 Oct. 5, 1933	Telegram	1.65		12.02
	7 Oct. 5, 1933	Rooms	18.00		30.02

<sup>1</sup> Pay last amount in this column.  
 Bills are payable when presented.

PALMER HOUSE  
 CHICAGO

McGuire, G. C. 2148 W-49 W 18.00  
 N. Y. C. 9-29. W 6. 4 43 PM  
 American Legion. No information to anyone  
 From folio A 6131  
 To folio No. Z 6068

Memo.	Date	Explanation	Amt. charged	Amt. credited	Balance due <sup>1</sup>
A. C. Warren Wm. H. Doyle	1 Oct. 6, 1933	Balance for- ward.			73.12
	2 Oct. 6, 1933	TranDeb	3.48		76.60
	3 Oct. 6, 1933	L. Dist.	0.15		76.45
	4 Oct. 6, 1933	Restr't	1.78		74.67
	5 Oct. 6, 1933	Restr't	6.30		68.37
	6 Oct. 6, 1933	TranDeb	116.00		29.96
	7 Oct. 6, 1933	TranCr		109.82	48.36
	8 Oct. 6, 1933	Rooms	18.00		66.36
	9 Oct. 6, 1933	Phone	0.40		65.96
	10 Oct. 6, 1933	Restr't	2.04		63.92
	11 Oct. 7, 1933	Telegrm	3.46		60.46
	12 Oct. 7, 1933	L. Dist. CO	3.40		57.06
	13 Oct. 7, 1933	Rooms	18.00		39.06
	14 Oct. 7, 1933	Phone	0.25		38.81
	15 Oct. 8, 1933	L. Dist	0.25		38.56
	16 Oct. 8, 1933	Restr't	0.31		38.25
	17 Oct. 8, 1933	Phone	0.10		38.15
	18 Oct. 8, 1933	CashCr		76.21	0.00

<sup>1</sup> Pay last amount in this column.  
 Bills are payable when presented.

PALMER HOUSE  
 CHICAGO

McGuire, G. C. 972 W 4 50 2C  
 New York City 9/21 HWP6 9 44 A. M.  
 From folio —  
 To folio No. A 304

Memo.	Date	Explanation	Amt. charged	Amt. credited	Balance due <sup>1</sup>
Sept. Cash Cr. 40.24 #9 972W -----	1 Sept. 21, 1933	Valet	1.00		1.00
	2 Sept. 21, 1933	Valet	2.00		3.00
	3 Sept. 21, 1933	Rooms	4.50		7.50
	4 Sept. 21, 1933	Phone	0.10		7.60
	5 Sept. 22, 1933	Laundry	0.98		8.58
	6 Sept. 22, 1933	Laundry	0.95		9.53
	7 Sept. 22, 1933	Rooms	0.60		10.13
	8 Sept. 22, 1933	Rooms	4.50		14.63
	9 Sept. 22, 1933	Rooms	4.50		19.13
	10 Sept. 22, 1933	Phone	0.10		19.23
	11 Sept. 24, 1933	Valet	1.00		20.23
	12 Sept. 24, 1933	Phone	0.10		20.33
	13 Sept. 24, 1933	Rooms	4.50		24.83
	14 Sept. 25, 1933	Rooms	1.20		26.03
	15 Sept. 25, 1933	Rooms	4.50		30.53
	16 Sept. 25, 1933	Phone	0.70		31.23
	17 Sept. 26, 1933	Rooms	4.50		35.73
	18 Sept. 27, 1933	Rooms	4.50		40.23

<sup>1</sup> Pay last amount in this column.  
 Bills are payable when presented.



By the CHAIRMAN:  
Question. Now, while you were making all these trips, Murphy & Co. were paying you?  
Answer. Yes.  
Question. While you were making the trips for Clark and Christmas?  
Answer. Yes.  
Question. Going to these conventions in trying to bring about an educational program for the sound dollar, you were being paid right along?  
Answer. Yes; after the Chicago convention, when the sound-dollar committee was formed, I received my pay right along.  
Question. Was your pay ever questioned by Murphy & Co.?  
Answer. No, sir.  
Question. So that, while you were conducting this what you would call "propaganda" for a principle, you had been on the pay roll of Murphy & Co. and receiving weekly checks?  
Answer. Yes.  
Question. Now, did you keep any books of account?  
Answer. On expenses.  
Question. On all moneys received, and on all moneys laid out, and on all moneys returned, giving their dates and amounts, whether by check or in cash?  
Answer. I think I have a record that I can produce.  
Mr. DICKSTEIN. I wish you would produce it, and I will ask the chairman to request you to do so.  
The CHAIRMAN. Not request. I will order him to produce it.  
Mr. DICKSTEIN. That book will show.  
The CHAIRMAN. What do you want him to produce tomorrow?  
Mr. DICKSTEIN. All moneys received by Clark or Christmas or by any other person through that period would show expenditures and sales.  
The Witness. Yes.  
By Mr. DICKSTEIN:  
Question. Whether the payment was in cash or by check.  
Answer. Yes.  
Question. Now, how many letters of credit did you obtain in 1933 and 1934?  
Answer. What?  
Question. How many, altogether?  
Answer. I don't know. I would have to look up that record there.  
Question. Which record?  
By the CHAIRMAN:  
Question. Well, did you receive any more beyond that?  
Answer. In 1933? No, sir.  
Question. In 1934, did you?  
Answer. Yes, sir.  
Question. Where?  
Answer. I received a letter of credit, when I went to Europe, from J. P. Morgan & Co. for \$5,000; a letter of credit of my own, that I took out with the American Express, I believe, for \$1,500.  
Question. Who, in Morgan & Co., gave you that \$5,000?

PALMER HOUSE, CHICAGO  
MAC GUIRE G C 972W 4 50 2C NY C 9-21 HWP6 9-44AM  
From folio A 304  
To folio  
No. Z 5324

Memo.	Date	Explanation	Amt. charged	Amt. credited	Balance due <sup>1</sup>
	1	Balance forward			44.24
	2	Sept. 28, 1933 Cash Cr		40.24	4.00
	3	Sept. 28, 1933 Rooms	4.50		8.50
	4	Sept. 28, 1933 Rooms DO	4.50	4.50	4.00
	5	Sept. 28, 1933 Phone	0.90		4.90
	6	Sept. 28, 1933 L. Dist	0.25		5.15
	7	Sept. 28, 1933 Cash Cr		5.65	0.00
	8	Sept. 28, 1933			0.00

<sup>1</sup> Pay last amount in this column. Bills are payable when presented.

PALMER HOUSE, CHICAGO  
MCGUIRE G S 2148W-49W NR  
From folio  
To folio  
No. Z 5624

Memo.	Date	Explanation	Amt. charged	Amt. credited	Balance due <sup>1</sup>
	1	Oct. 30, 1933 Valet	0.35		1.35
	2	Oct. 30, 1933 Valet	1.00		2.35
	3	Oct. 1, 1933 Telegram	0.63		2.98
	4	Oct. 5, 1933 Disburs	1.50		4.48
	5	Oct. 6, 1933 Tran Cr		3.48	0.00

<sup>1</sup> Pay last amount in this column. Bills are payable when presented.



Answer. Who? No one in Morgan & Co. gave me \$5,000. Mr. Clark gave me his check.

Question. On Morgan & Co.?

Answer. No; it was not on Morgan & Co. I believe it was on the Chase Bank.

Question. Well, how did you get this \$5,000 letter of credit from Morgan & Co.?

Answer. I didn't say that. I said that I got a check for \$5,000 from Mr. Clark, and I had gone to Morgan & Co. and bought a letter of credit nominally paying for it \$50.

Question. I didn't ask you that. I just wanted to know how you went to Morgan & Co. You have explained it.

Answer. Yes.

Question. Now, then, I suppose the expense list of the European trip was also entered by you?

Answer. Yes; I have a record.

Question. You have a record of that, and you will produce that?

Answer. Yes.

Question. Now, how long have you known Mr. Butler? Since when?

Answer. Roughly speaking, I should say I have known General Butler about 5 years.

Question. When was the first time that you spoke to General Butler? When you went with Doyle?

Answer. When I went with Doyle? This I don't remember.

Question. Now, what year was that?

Answer. Well, I believe it was 1933.

Question. And is it a fact that that was the first time that you had personal contact with Mr. Butler?

Answer. No; it is not a fact.

Question. When was the first time that you spoke to Butler?

Answer. I do not recollect where it was. It was around the metropolitan area somewhere, at some veterans' meeting.

By the CHAIRMAN:

Question. He testified that it was about 2 years before that that the first real time that you met him was when you went up to his home?

Answer. Yes.

By Mr. DICKSTEIN:

Question. You came there by machine?

Answer. Yes.

Question. Who owned the machine; whose car was it?

Answer. It was a car that we hired at the Bellevue-Stratford.

Question. Doyle was with you?

Answer. Yes.

Question. Who was doing all the talking, you or Doyle?

Answer. Well—

Question (interrupting). If you remember. If you don't, don't answer it.

Answer. Mr. Chairman, can we get it on the record—

The CHAIRMAN. You better ask Mr. Dickstein.

The WITNESS. I would say 50-50, all of the talking.

By the CHAIRMAN:

Question. Did you have a talk or did you talk with Doyle before that, about going out to see General Butler?

Answer. Yes; I believe he was down in New York, about a week before that, and we talked over a number of things.

Question. That was a prearrangement for you and him to go down there?

Answer. Yes.

Question. He said that you wanted to go down to Philadelphia, and you were then to telephone him, and take a chance at his being there?

Answer. Let me get this straight, Mr. Chairman. I do not want to get tied up on dates; it is pretty hazy. I think Doyle and I talked in New York, and then whenever it was, after we got down to Philadelphia, we talked to Vince Carroll and then the question came up how about going out to see Butler, and talk with him—

By Mr. DICKSTEIN:

Question. Where were you before you met Butler in June or July of 1933? Where did you go from with the car?

Answer. From Philadelphia.

Question. Well, where did you bring it from?

Answer. Well, I do not remember; I think it was from the Bellevue-Stratford.

Question. Who rang the general, to make an appointment and go over to his house, you or Doyle?

Answer. Well, I don't remember whether it was Doyle or myself.

Question. Was it the man by the name of Jack that rang and asked him for an appointment, that you were two veterans and wanted to come over and talk to him?

Answer. Oh, yes; that refreshes my mind—I would like to get this on the record.

Question. Just answer that.

The CHAIRMAN. He says "yes."

Question. Then, this Jack, what is his second name?

Answer. I don't remember his second name; he was introduced to me in the Mayflower Hotel.

Question. That is Washington, and the call was from Washington?

Answer. Yes; I guess that is right.

Question. You made the statement a moment ago that you rang him from the Bellevue-Stratford; you were not giving us the correct statement?

Answer. I had plainly forgotten the incident.

Question. As a matter of fact, that brings you back to Washington again, and this Doyle, or Jack, or whatever his name is, rang General Butler?

Answer. Yes.

Question. And you and Doyle traveled in the machine from Washington to Philadelphia?

Answer. No, no; we went by train.

Question. Went by train?

Answer. Yes.

Question. And you got into this machine and went over to the general's house?



Answer. Yes; I remember it very distinctly now.

Question. That was really the first time that you were in Butler's home, or that you had a talk with him along the line of business, or whatever you may call it?

Answer. That is the first time that I had ever talked to him.

Question. That was in 1933?

Answer. Yes.

Question. That was in June 1933?

Answer. Was it June?

Question. I won't pin you down; it doesn't make any difference as to the place; we have the time fixed?

Answer. You have the time fixed.

Question. That was around June or July?

Answer. Let me ask this, if I may. Can I ask it without being on the record?

Mr. DICKSTEIN. Go ahead.

(Discussion off the record.)

By the CHAIRMAN:

Question. Did you go up in a Packard limousine?

Answer. Gee! I don't know whether it was or not; I think it was a Packard car.

Question. Driven by a chauffeur?

Answer. Yes.

Question. Who was the chauffeur?

Answer. I don't know.

Question. With the car?

Answer. With the car.

Question. Don't you know what Jack was?

Answer. I don't know. Jack was introduced to me in a room in the Hotel Mayflower, and he was very much interested in forming a national veterans' organization and getting out a paper similar to the National Tribune, and he said he had been to see General Butler several times and he was a great friend of his; and I think either Doyle or myself said I would like to meet the general, and that is how the whole thing came up. This fellow said, "I will call him up and make an appointment." He said, "You are going back to New York and you can stop there to see him." He called up from the Mayflower Hotel and made an appointment for us to see the general.

Question. What were you in Washington for?

Answer. I believe I was down there on business; I do not know just what business it was.

Question. How did Doyle come into the picture?

Answer. I think he was down there for some other Legion matter.

Question. And you happened to run across one another?

Answer. Yes.

Question. On the way back?

Answer. Yes.

Question. What about this talk in New York the week before between you and Doyle about Butler? What occasioned all that talk?

Answer. As I said to you at that time, this whole thing as it has been refreshed in my mind—as to this incident, Doyle had been here and said he was going back—

Question. You never met this Jack before?

Answer. I never met Jack before; never.

Question. He called up and asked the general if he would see a couple of veterans if they went out to see him?

Answer. Yes.

Question. He didn't mention the names or anything?

Answer. I think he did.

Question. Don't say you think he did.

Answer. I don't remember whether he mentioned it or not.

Question. That is a better answer. When you say "I think he did", that is of no probative weight.

Examination by Mr. DICKSTEIN:

Question. When did you go to Washington before you met Doyle?

Answer. I don't remember when I got to Washington.

Question. Did you go over with the intention of meeting Doyle?

Answer. I think that he told me that he was going to be down at the same time that I was going to be there.

Question. Did he tell you where he was going to stop?

Answer. At the Mayflower; he always stopped at the Mayflower.

Question. Did he tell you that?

Answer. Yes.

Question. Where did you generally stop?

Answer. At the Mayflower.

Question. So that when you went there you knew Doyle was going to be there and where he was going to be, and did you have an understanding that you would like to see General Butler, or was it after you spoke to this Jack, when he said he knew General Butler, that it dawned on you that it would be a good thing to go to see General Butler, after this telephone call?

Answer. I say that that happened; I didn't say that I wanted to see General Butler, the whole thing just happened—

Question. We wanted to get the picture.

Answer. I think it was all brought up by this fellow Jack in connection with the party.

Question. So that when you went to Washington it was not your intention to go to see Butler?

Answer. No, sir; positively not.

Question. It was your intention to meet this Jack?

Answer. No, sir.

Question. But when you got to Washington you bumped into Doyle?

Answer. Yes.

Question. And then you bumped into Jack and you say you never met him before?

Answer. No; I never met him.

Question. Now, isn't his name Jack O'Neill?

Answer. Jack O'Neill?

Question. Yes; Jack O'Neill.

Answer. I couldn't say. I do not know what his name is. I never met the man only once, and I have never seen him since.



Question. Did he volunteer to ring General Butler?

Answer. Why, I do not know what his arrangements were with Doyle in connection with ringing General Butler.

Question. Did you ask him to ring General Butler?

Answer. Did I ask him to ring General Butler?

Question. Yes.

Answer. No, sir.

Question. Who asked him to ring General Butler?

Answer. I believe Mr. Doyle—

Question. What time of the day was it?

Answer. I cannot say what time of the day it was. I think it was afternoon, but I am not sure.

Question. Did you go to see General Butler—did you leave on the same day to see him?

Answer. Yes; if I recall it correctly. As I recall it, Mr. Dickstein, I am not sure. I do not want to be twisted up in this thing.

Question. I am not trying to twist you; I am trying to clarify this record.

Answer. It is awfully hard to bring up all of the dates, and so forth, after such a time.

Question. I am not questioning you as to dates. I am asking you for your best recollection of the facts. When did you meet Doyle at the Mayflower; some time last year?

Answer. Yes.

Question. Then you never intended to see Butler at all?

Answer. I had no intention of seeing Butler.

Question. You had no intention of seeing Butler; that is your story?

Answer. Yes.

Question. Then you bumped into a man by the name of Jack, whatever his name is?

Answer. Yes.

Question. And Jack volunteered to ring up General Butler?

Answer. Yes.

Question. And he did ring General Butler, and stated that there were two veterans who wanted to come over to see him, a man of such high rank?

Answer. That is right. Now, the question in my mind now, Mr. Dickstein, is whether it was that particular day that we went to see General Butler—

Question. Or the next day?

Answer. Or was it some previous time, some time that Doyle and I had said we would go over and see him—I don't know, I want to get this thing straight on the record.

Question. Now, for your information, I will say that it did not require much breaking of your head to remember that the telephone call came from Washington on a certain day?

Answer. Yes.

Question. The committee has it?

Answer. Yes.

Question. And you went there that very day, and you do not remember what day it was?

Answer. That is the question in my mind.

Question. Well, if you didn't go that day, you went the next day?

Answer. Some other day.

Question. It was within 24 hours after this telephone call?

Answer. That is a question that I cannot answer.

Question. All right, we will let it go at that. So that if that statement was made by the General, he was telling the truth, wasn't he?

Answer. As to our going there?

Question. Yes.

Answer. Yes.

Question. And this telephone by Jack; and he said he never knew you people before?

Answer. Yes.

Question. You were going down there as two legionnaires for some help that you wanted of some kind?

Answer. Yes, sir; that is true.

Question. And he was telling the truth when he said that?

Answer. That is true.

Question. Did O'Neill or Jack volunteer to go with you to see the General in person?

Answer. No, sir. I do not believe he did.

Question. Didn't he volunteer to go with you, and then you wanted to go yourselves alone, you and Doyle?

Answer. No, sir; I do not believe he did.

Question. Now we have got you when you were in Butler's house?

Answer. Yes.

Question. And then the general discussion started off that you wanted him to run for Legion commander?

Answer. No; I think the general discussion started off in connection with veterans and veterans' affairs, and his activity in connection with veterans, and then Doyle broached the subject to him of the veterans' organization similar to the Democratic veterans' outfit that he had been connected with during the previous campaign.

Question. Right at this point, then, was it your purpose, when you saw General Butler, to organize a new veterans' organization?

Answer. It was not my purpose to organize a new veterans' organization.

Question. Well, was it Doyle's purpose, as you understood from the conversation?

Answer. From the conversation, I would not say that he wanted to organize a veterans' organization. He had already been a member and was a member of the Democratic veterans, and his idea was to further the interests of the Democratic veterans' organization, and he got General Butler to come along with him to build up an organization similar to the World War veterans.

Question. And didn't you speak about that on your way from Washington to Philadelphia; just what you wanted to talk to Butler about?

Answer. Yes; I think we did.

Question. And that was the discussion?

Answer. Yes.

Question. You never discussed that phase of it before with Doyle, did you?

Answer. No, sir.

Question. That was the first time?



Answer. Yes.

Question. There was nothing in your mind or motive as far as Butler was concerned that he was to lead the World War veterans to Washington—

Answer. Except that after we had been discussing this thing on the train I said to him, "Why wouldn't it be a good thing to have this man as commander of the Legion"—to get this man for the commander of the Legion.

Question. That was the first time that you had in your mind the thought of Butler's being commander of the Legion?

Answer. No; I had it in my mind a couple of years before that.

Question. Who told you that?

Answer. I just thought—I had it in my mind that he would be a good man for the commander.

Question. And now, didn't Butler ask you what your business was when you came in?

Answer. Yes; I believe he did.

Question. What you wanted to see him about?

Answer. He received us very cordially and asked us what we wanted to see him about, and I think Mr. Doyle started off and told him what I had in mind, after we had discussed these various things in connection with the veterans, and then I said to him, "Why don't you run for commander of the Legion?"

Question. And now, at that time how much money did Christmas give you?

Answer. In June?

Question. In June or July?

Answer. No money.

Question. August?

Answer. No money.

Question. How much did Mr. Clark give you?

Answer. No money.

Question. Were you then selling any bonds or buying any bonds?

Answer. Oh, yes; I had been doing business with him since the war.

Question. Now, at that time, June or July, did you buy any bonds for Clark?

Answer. I believe I bought and sold bonds.

Question. What bonds did you buy for Clark?

Answer. I do not know.

Question. In your own name?

Answer. The firm's name, we had been doing business with him right along.

Question. I am not confining you to this time; around this period, did you buy any bonds for Clark?

Answer. Well, through the firm?

Question. Through anybody.

Answer. I believe we had several transactions with Mr. Clark.

Question. What were they?

Answer. I cannot recollect what they were now.

Question. Will you check on that and give us the information?

Answer. Yes; surely.

Question. Now, after you spoke to Butler, when was the second time that you went to see him in 1933?

Answer. I cannot recollect the date.

Question. Was it before the convention?

Answer. I believe it was; yes.

Question. And did you then have any loose money that you received for buying bonds?

Answer. When I went to see General Butler—with General Butler? No, sir.

Question. No; with Christmas?

Answer. No, sir.

Question. Or Clark?

Answer. No, sir.

Question. Didn't you have any of that money at all?

Answer. No, sir.

Question. When was the first money that you received from Christmas or Clark?

Answer. Well, whatever the record is there.

Question. And now heretofore any bonds that Christmas or Clark wanted to buy they bought through Murphy & Co.?

Answer. That is a correct statement, but they did business with other people too.

Question. I didn't ask you that. I said heretofore, as far as you were concerned, and as far as Murphy & Co. are concerned, if they wanted to buy any bonds they bought them through Murphy & Co.; isn't that a fact?

Answer. Yes.

Question. They did not give you any individual money, as you have testified here before, did they?

Answer. No, sir.

Question. This was the first time when—but the convention of the Legion came around; is that correct?

Answer. Yes.

Question. So that if they—if Christmas or Clark—wanted to buy bonds, he could have bought those bonds right through Murphy & Co., as he had done in the past; he did not have to go to you to buy them, did he?

Answer. Except if he asked me to be his agent.

Question. That is not the point; I will get to that; you did not have to buy those bonds; you were not the only one that could buy those bonds for them?

Answer. No, sir.

Question. He had already established a precedent for years, both with Murphy & Co. and with every legitimate source, to buy the type of bonds that he desired; that is correct, isn't it?

Answer. Yes.

Question. And out of a clear sky you actually received certain vast sums of money as his agent; isn't that correct?

Answer. Yes.

Question. Did they give you a written authority to represent Mr. Christmas—and Mr. Clark, as his agent—to buy any special type of bonds?

Answer. No, sir.

Question. When you received these checks, was there any entry made in Clark's books or Christmas' books as to the purpose for which that money was to be used?



Answer. That I cannot say.

Question. Now, if they gave you \$10,000 or \$30,000 and they gave it to you in a check or cash, wouldn't you ask them to make a memorandum on that stub for what purpose it was—for the purpose of buying certain bonds—wouldn't you do that as an ordinary business man?

Answer. Well, knowing Mr. Clark and Mr. Christmas as well as I did, I did not think it would be fair to put that question that way.

Question. I will put it another way. I am not trying to catch you in any way; I am trying to get your mental operation at the time. You were there when they issued these checks, weren't you?

Answer. No; I was not.

Question. At any time after that, when you got the cash, did they deliver it to you in one lump sum?

Answer. Yes.

Question. Who delivered the money to you?

Answer. I believe Mr. Christmas.

Question. Did Mr. Christmas take a receipt for it?

Answer. Not that I know of.

Question. Was there anything wrong about the transaction, that he took no receipt?

Answer. No, sir.

Question. He took no receipt at any time?

Answer. No, sir.

Question. Now, where was that money delivered to Vince Carroll?

Answer. Which money are you speaking of now?

Question. The \$10,000, or all of the cash transactions or cash items that were turned over to you?

Answer. I believe the \$10,000 was given in the Bankers Club at the luncheon.

Question. You had a previous arrangement, then—to go there?

Answer. Yes.

Question. And did you know that he was to give you the \$10,000 in cash; or were you to get a check?

Answer. I did not know what it was to be.

Question. You did not know what it was for?

Answer. No, sir.

Question. Out of a clear sky he gave you \$10,000 in thousand-dollar bills?

Answer. This was in addition.

Question. In addition to the money that he gave you before?

Answer. Yes.

Question. Before he gave you the \$20,000; am I correct?

Answer. That is correct.

Question. Now, how much time—how many days had expired between the payment of the \$20,000 and the \$10,000?

Answer. I do not remember.

Question. Was it a week or was it a month?

Answer. I cannot recollect.

Question. Was it during the same month?

Answer. I do not remember.

Question. Was it in the summer?

Answer. I think it was in the summer; yes.

Question. In the 1933?

Answer. Yes.

Question. That was just before the convention of the Legion?

Answer. Well, the convention was in the fall.

Question. Well, that was before the convention?

Answer. Yes; I believe so.

Question. Now, when you got the money, what did you do with it; how did you dispose of it? I mean, did you put it in your pocket, did you put it in a vault, or did you put it in a bank. What did you do with it?

Answer. If I recall—well, the \$20,000 you are talking about now, isn't it?

Question. I am talking about the \$20,000 and the \$10,000. Take the \$10,000 first. What did you do with that \$10,000?

Answer. \$25,000 was deposited in the Manufacturers' Trust Co.

Question. I am talking about what happened to the \$10,000 that you got at Bankers Club lunch. You just testified a moment ago that you came to the club before luncheon and Christmas handed you \$10,000 in \$1,000 bills.

Answer. I didn't say that; I do not remember what the denomination was.

Question. What did you do with that money?

Answer. I believe I put it in the Seamen's Bank for Savings, in a safety-deposit vault.

Question. Where? At Wall and William in a safe deposit?

Answer. I think so.

Question. Did you make an entry in your book?

Answer. No.

Question. Was there any entry made of that \$10,000 item anywhere up to this present day?

Answer. I believe I have a book record of all of those items down here.

Question. That book you will produce tomorrow, I understand?

Answer. Yes.

Question. Now, how long did it stay in the vault?

Answer. I cannot recollect.

Question. Was it a week?

Answer. Well, I do not remember.

Question. A month?

Answer. I do not remember.

Question. Is it there now?

Answer. No.

Question. When did you take it out, according to your best recollection?

Answer. I cannot recall when I took it out, except that these records are here—that is, of the two letters of credit—so that it must have been around those dates.

Question. I do not want to go into that.

Answer. I do not want to cover any ground that I am not sure of.

It must have been somewhere around those dates—

Question. Did you buy any bonds for that \$10,000?

Answer. No, sir.

Question. Did you buy any bonds for the \$20,000?

Answer. No, sir.

Question. Did you buy any bonds for Mr. Christmas or Mr. Clark at any time after you received these amounts of moneys?



Answer. No.

Question. You never did?

Answer. No, sir.

Question. Did Christmas or Clark buy any bonds from Murphy & Co. during that same period?

Answer. I think they did; yes, I think they did; I do not say "buy"; they may have sold some bonds through us.

Question. They sold or bought?

Answer. Yes; there may have been some transactions.

Question. In other words, they did not terminate their business connections; they continued their regular business transactions with Murphy & Co., in spite of the fact that they had given you this money, as you say, for the purpose of buying bonds?

Answer. That is right.

Question. And they had never done that before?

Answer. No; they had never done that before.

Question. Or since?

Answer. Or since.

Question. Now, do you know whether Clark or Christmas dealt with any other brokerage concern?

Answer. I believe they dealt with several other brokerage concerns.

Question. Do you know their names?

Answer. No; I do not.

Question. How long have you known Clark?

Answer. Well, I believe I said that I have done business with him and known him since 1925 or 1926.

Question. Did he ever give you that kind of money before to use, as you say—in the way that he wanted you to represent him in these transactions?

Answer. In what transactions?

Question. In those money transactions, since that time?

Answer. In what money transactions?

Question. What I mean is this, since 1926, at the time that you met him and after; this was really the first time that you got this money without any receipt or papers or anything at all?

Answer. Yes.

Question. And this dinner was at the Bankers Club, at 120 Broadway, wasn't it?

Answer. Yes.

Question. Who was that dinner given to; was it given to anybody specially?

Answer. It was a regular luncheon.

Question. Who was present at your table?

Answer. Mr. Christmas.

Question. And yourself?

Answer. Yes.

Question. And Mr. Clark?

Answer. Yes.

Question. And what was the talk at that time; do you remember?

Answer. The general bond market conditions—conditions of the bond and stock market.

Question. Did he tell you what particular bonds he had in mind?

Did he tell you what particular places to go to?

Answer. No.

Question. Did he tell you what to search for?

Answer. Depreciated bonds of various municipalities that looked cheap.

Question. Now, isn't it a fact that there were thousands of municipalities who had depreciated bonds, and who had them in 1933, and how is it that you didn't buy one single bond?

Answer. I think that the particular case was the Chicago bonds and the Chicago Sanitary District bonds.

Question. Now, couldn't you have bought those bonds on a give-up order from any broker in New York?

Answer. Well, you probably could not; it is always the case with depreciated bonds, when they are being offered, as I said before, it is a case of coming right in and having the cash if you wanted to buy those bonds.

Question. But you could have done that right here in New York; it was necessary to go around the country?

Answer. You could not have done it right here in New York.

Question. And you could have saved this big overhead in expense for you to travel all through the country?

Answer. Yes; but I was not only traveling to buy bonds, I was traveling around to see what the condition of the bonds of these municipalities was.

Question. And to make your report to Mr. Christmas?

Answer. Certainly.

Question. And did you make a written report?

Answer. No, sir.

Question. Did you give a written report to Mr. Clark?

Answer. No, sir.

Question. Did you make memorandums of what you found in certain sections of the country for your guidance to make this report, as you said, to Mr. Clark and Mr. Christmas?

Answer. No; I never made a memorandum.

Examination by the CHAIRMAN:

Question. Mr. Clark had purchased a large amount of bonds through the firm with which you are employed, hasn't he?

Answer. Why, through me, since I have known him; he has purchased through me since I have known him—I think I sold Mr. Clark about 6 million dollars worth of bonds, and he has sold through me probably 3½ million.

Question. There has never been any other transaction other than this \$25,000 that you testified to, where he gave you money which was deposited in your name or any other account, to buy bonds for him?

Answer. That is right.

Mr. DICKSTEIN. That was 5 or 6 million dollars?

The CHAIRMAN. That is 9 million dollars.

Examination by Mr. DICKSTEIN:

Question. That was done through Murphy & Co., and you received your commission?

Answer. Not through Murphy & Co., through their organization—let me say this, those conditions were entirely different when these transactions were brought up, in that the bond market was in a



more or less stabilized condition; but at that particular period, when this thing came up, bonds were selling at all kinds of figures.

Question. That didn't stop Mr. Clark from pursuing his regular policy of buying in the same way that he had for years; in other words, when I want to buy a million dollars' worth of bonds in 1934, I bought it through your firm, and there is no reason why I did not give an order in 1933 to buy a million dollars' worth of bonds the same way; is that so?

Answer. No, sir.

Question. When did Mr. Clark go to Europe?

Answer. I think he went in August.

Question. 1934?

Answer. Yes.

Question. Did you see him off?

Answer. No, sir.

Question. When did Mr. Christmas go to Europe?

The CHAIRMAN. About 2 weeks ago.

The WITNESS. I think it was 2½ weeks ago.

By the CHAIRMAN:

Question. Where is Mr. Clark now? What part of the country is he in, do you know?

Answer. I do not know; I believe he is in Paris, according to the papers this morning, a cable was received from him from Paris.

Question. Have you heard from him yourself?

Answer. No, sir.

Mr. MARKS. Are you talking about Clark or Christmas?

The CHAIRMAN. I was talking about Clark.

Examination by Mr. DICKSTEIN:

Question. You do not know when the second trip was that you made to Mr. Butler?

Answer. No; I do not.

Question. Were you there alone?

Answer. Yes.

Question. And the third trip that you made to his home—you met him in Newark, didn't you?

Answer. I think the third trip; no—I do not know whether it was the third trip or not, or what trip it was that I met him, but I think it was in Newark at a hotel.

Question. Was Doyle with you then?

Answer. No, sir.

Question. Was Doyle with you at any time outside of the first time?

Answer. No, sir.

Question. And the general discussion was what—what was the general discussion; what did you talk about? Did you talk about his being a commander of the Legion?

Answer. The second time you went there?

Question. Yes.

Answer. No. I think the next time I went there I talked with him about the veterans' affairs and conditions in general, and the fact that he had been very much interested in the veterans, and asked him if he still felt the way he did, and if he was in favor of sound money."

Question. What did he say?

Answer. Well, he said, "Why, certainly I am in favor of sound money."

Question. Yes.

Answer. But he said, "I don't know anything about it."

Question. Exactly; he told you he knew nothing about money at all?

Answer. That is right; yes.

Question. But when you went there, did you go there with the intention of talking to him about this sound money business?

Answer. No; I can't say that I did.

Question. And what did you go there for the second time?

Answer. Just merely to talk over general conditions, and the fact that I thought that he was the man—that I still thought that he ought to run to be commander of the Legion, and it looked as if Ed Hays was the man who was going to win, and that he ought to during the next year or two get himself to be a delegate from Pennsylvania so that he could be elected commander.

Question. What was your interest in it that he should become a commander of the Legion; what was your interest in it?

Answer. Merely because I thought an awful lot of him.

Question. Didn't he tell you the first time that he was not interested?

Answer. No. He did not tell me the first time; he was very much interested.

Question. Doyle will bear you out, will he not, in that?

Answer. Well, I think he will.

Question. You think so?

Answer. Yes; I think he will.

By the CHAIRMAN:

Question. As a matter of fact, what you went there for was to try and have him go to the convention—but you say you never discussed the national commander with him, did you?

Answer. Yes; I did discuss the national commander with him.

Examination by Mr. DICKSTEIN:

Question. Have you communicated with Doyle lately?

Answer. No, sir.

Question. Did you talk to Doyle either yesterday or today?

Answer. No, sir.

Question. Has Doyle spoken to you?

Answer. No, sir.

Question. Now, then, on the second trip that you made, did Mr. Butler still say that he would like to be commander of the Legion?

Answer. No; he said he was not interested, and then I brought up the fact about this sound-dollar organization.

Question. All right. What was the necessity of your going over there after he told you that he did not know anything about the sound dollar, and did not know anything about monetary conditions. And he told you on the third visit that he did not want to be commander of the Legion; what was the object of your going to see him again?

Answer. Well, I thought that I might still interest him in it—



By the CHAIRMAN:

Question. How long after the first visit did you pay the second visit?

Answer. Gosh, I cannot recall.

Question. It was within 3 days; haven't you any recollection?

Answer. Yes; 3 days—

Question. Yes.

Answer. No; it was not within 3 days—

Question. How long?

Answer. It must have been fully a month.

Question. In the meanwhile Hays had come along and announced his candidacy?

Answer. In the meantime, Bill Doyle had told me that there wasn't any chance of Butler being a commander because Hays was so far in the front that it was a joke as far as Butler was concerned to think about running.

Question. When you first talked to him, was Hays the candidate?

Answer. I did not know that Hays was a candidate.

Question. How did he get up in front so quick?

Answer. Well, I don't know; but those things just happened in a rush.

Question. I know, but they didn't happen in a rush overnight!

Answer. No.

Question. I know enough to know that the delegations are pretty cautious, and it is in the back rooms where the balloting is done!

Answer. Mr. Chairman, let me say this, that I think it will be pretty generally borne out that Belgrano, in this particular year, was elected last January; isn't that right?

(Discussion off the record.)

Mr. DICKSTEIN. Mr. Chairman, I do not think we can possibly get through today.

By Mr. DICKSTEIN:

Question. You said that you saw the general about June or July, was it?

Answer. Yes.

Question. Is that definite?

Answer. I think so.

Question. In 1933?

Answer. Yes.

Question. How much money did you have in the bank at that time to your own credit?

Answer. My own account?

Question. Yes.

Answer. I cannot say. I will have to look it up.

Question. Please do so, and see what the amount was?

Answer. Yes.

Question. In what banks did you have it at that time, in June or July 1933, when you went to see General Butler the first time?

Answer. The Manufacturers Trust Co.

Question. How much money did you have there?

Answer. I cannot say; I think it was around \$1,800 or \$2,000.

Question. Yes; and what other banks?

Answer. I had cash myself.

Question. At that time?

Answer. Yes.

Question. \$10,000?

Answer. No.

Question. Well, how much cash did you have in your pocket at that time?

Answer. Cash in my pocket?

Question. Yes.

Answer. I had \$50 or \$60.

Question. That is all?

Answer. That is all.

Question. Did you have any other bank account outside of the Manufacturers Trust Co.?

Answer. I do not believe I did; no, sir.

Question. Did you or Doyle pull out a bank book showing deposits of \$12,000 in a certain bank?

Answer. I never did, and I do not think Mr. Doyle did.

Question. Did you see Doyle do that?

Answer. No, sir.

By the CHAIRMAN:

Question. Did you pull out a bank book at all?

Answer. No, sir.

By Mr. DICKSTEIN:

Question. Did you pull out any papers at all from your pocket to show to General Butler?

Answer. No, sir.

By the CHAIRMAN:

Question. Do you know Mr. Martindell, Mr. MacGuire?

Answer. Mr. Martin Dell? No, sir; I do not.

The CHAIRMAN. Is that his name?

Mr. DICKSTEIN. I think so.

Question. How long were you in Europe on your trip over there?

Answer. Well—

Question. About how long?

Answer. I think it was about 2½ months.

Question. In Paris where were your headquarters?

Answer. I stayed at the Crillon Hotel.

Question. Did you make your headquarters with Morgan & Hodges?

Answer. I used to go in there to see them.

Question. Did you tell the general that that was your headquarters when you were in Paris?

Answer. No, sir.

Question. You do not know how he got that, do you?

Answer. No, sir. I do not, except I bought at Morgan & Co. a letter of credit from them, and that is where I got my mail, at Morgan & Hodges.

Question. You would not know how he got that name, and if he mentioned it in his testimony, it must have come through some other source?

Answer. I do not know how he got it.

Question. Was Mrs. MacGuire with you on the trip?



Answer. No; she came over after I had been there 5 weeks and came back with me.

Mr. DICKSTEIN:

Question. In making examination of the market conditions in Europe, did you make memorandums, or did you get copies of their daily sheets?

Answer. Yes.

Question. At that time?

Answer. I made a full survey of the entire situation.

Question. Did you make that report to Mr. Clark or to Mr. Christmas?

Answer. Yes.

Question. Did you make that in writing?

Answer. Yes.

Question. You made that in writing?

Answer. Yes.

Question. Who has that memorandum?

Answer. I have the memorandum.

Question. Has Mr. Clark got it?

Answer. The letters?

Question. No. The report of your survey.

Answer. I have copies of the letters that I sent to Mr. Clark.

Question. I did not ask you that. I said did you make the report to Mr. Christmas or to Mr. Clark of what you found, any written complete report, or any report to them at all?

Answer. Yes.

Question. Then, that should be in their files?

Answer. I made it at various times and places, and wrote letters.

Question. I didn't ask you about letters. Did you, when you returned back to the United States, make a complete report of your survey in writing to Mr. Clark and Mr. Christmas?

Answer. When I returned back to the United States I did make a complete report in writing; while I was over there I wrote from Paris, and I wrote from London, and I wrote from Dublin.

Question. Have you got copies of those letters?

Answer. I believe I have.

Question. Will you produce those tomorrow?

Answer. I will be very glad to.

By the CHAIRMAN:

Question. Did you tell him that you were going to campaign for him to be commander of the Legion?

Answer. Oh, yes; individually.

Question. When did you tell him that?

Answer. I cannot recall, but a short time ago, a short time before the convention.

Question. And did you tell him that you would get in touch with him after the convention, and that they are going to make a fight for the gold standard, and that they are going to organize in favor of the gold standard?

Answer. In Miami?

Question. That I will get in touch with you after the convention, or a short time after that?

Answer. No, sir. I mentioned nothing to him about meeting after the convention was over at all, and as a matter of fact the particular time that I met General Butler before the Miami convention I was over there on a will case.

Question. That was the time that you told him that you were going down to Miami to fight for the gold standard?

Answer. No, sir; the reason that I would not say that is that the question of the gold standard is all settled, the President has put the value of it at \$59.06 and there is no sense in going through all that again, because we have a standard dollar right now, but the majority of the people do not seem to recognize it.

Question. I simply asked the question?

Answer. I simply wanted to inject that, if you don't mind. Could I say something? May I ask you a question off the record?

(Discussion off the record.)

(At this point questions were asked involving certain names which were afterwards stricken from the record.)

The CHAIRMAN. Do you want to inject names into the record? I asked him did he talk to anybody else, and he said, "No."

Mr. DICKSTEIN. I thought that that might be called directly to his attention.

By the CHAIRMAN:

Question. Did you ask anybody at all to go to the convention, or to make a speech in favor of the gold-standard resolution?

Answer. No, sir.

(Whereupon the committee adjourned to Thursday, Nov. 22, 1934, at 10 a. m.)

(Mr. MacGuire is to return on Friday, Nov. 23, 1934.)



## INVESTIGATION OF UN-AMERICAN ACTIVITIES

FRIDAY, NOVEMBER 23, 1934

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE OF THE SPECIAL  
COMMITTEE TO INVESTIGATE UN-AMERICAN ACTIVITIES,  
*New York, N. Y.*

The Subcommittee met in executive session, in the supper room of the Association of the Bar Building, Forty-fourth Street, New York City, at 10:30 a. m., Hon. John C. McCormack (chairman) presiding, Hon. Samuel Dickstein, vice chairman, present.  
The CHAIRMAN. We will hear Mr. Adamson.

### TESTIMONY OF CLAUDE M. ADAMSON

(The witness was duly sworn by the chairman.)

The CHAIRMAN. You are connected with whom?

Mr. ADAMSON. I am connected with the Central Hanover Bank.

The CHAIRMAN. In what capacity?

Mr. ADAMSON. Clerk in the Travelers Letter of Credit Department.

The CHAIRMAN. Do you know Mr. MacGuire? You have some papers here?

Mr. ADAMSON. Yes; Mr. MacGuire was in last year.

The CHAIRMAN. Have you an account of C. G. MacGuire? Have you such an account in your bank?

Mr. ADAMSON. We have.

The CHAIRMAN. Have you a transcript of that account here?

Mr. ADAMSON. Well, I have the deposit slips.

The CHAIRMAN. Have you a record of deposit slips?

Mr. ADAMSON. Those are the deposit slips.

The CHAIRMAN. This is the deposit slip of the account of G. C. and/or E. W. MacGuire, September 18, deposit in the sum of \$2,000.

Was that cash or check?

Mr. ADAMSON. That was cash.

The CHAIRMAN. Deposit of September 28, 1933, for \$200, that was also cash?

Mr. ADAMSON. That was cash.

The CHAIRMAN. Deposit of January 29, 1934, two checks, were they not?

Mr. ADAMSON. Two checks.

The CHAIRMAN. One check for \$208, the other for \$12.57, totaling \$20.57.

Deposit of February 21, 1934, by check, \$435.45.

Deposit March 9, 1934, cash, \$1,300.

Mr. ADAMSON. Cash.



The CHAIRMAN. What was this?  
 Mr. ADAMSON. This is a deposit by mail.  
 The CHAIRMAN. That was under date of May 22, 1934?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. What is that G. M. P. Co.?  
 Mr. ADAMSON. From them to the credit of that account.  
 The CHAIRMAN. To his account, to the MacGuire account?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. The amount is \$435.19. May 25, 1934, cash \$1,100.  
 Mr. ADAMSON. Cash.  
 The CHAIRMAN. May 25, 1934, cash \$10.  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. June 9, 1934, check no. 23, \$1,000.  
 Mr. ADAMSON. That is on the Guaranty Trust; 23 is the Guaranty Trust.  
 The CHAIRMAN. That came from the Guaranty Trust?  
 Mr. ADAMSON. No; it is the check on the Guaranty Trust Co. deposited to his credit.  
 The CHAIRMAN. Yes. That 23 indicates that?  
 Mr. ADAMSON. The Guaranty Trust Co. That is their clearing-house number.  
 The CHAIRMAN. That is a Government bond transaction, is it?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. That is \$500?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. June 30, 1934, that is a check for \$246.88—that check was drawn on the Guaranty Trust?  
 Mr. ADAMSON. On the Guaranty Trust.  
 The CHAIRMAN. Deposit of July 2, 1934, by check, \$37.50.  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. Again on July 13, Murphy & Co. sent a check of \$250 as a deposit to this account?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. On July 31, 1934, there was a deposit of \$243.64. Was that by cash or check?  
 Mr. ADAMSON. That was by mail, so I presume it was a check. It is not marked.  
 The CHAIRMAN. There is nothing on there indicating that?  
 Mr. ADAMSON. No.  
 The CHAIRMAN. Apparently that came direct from some one of the depositors.  
 Mr. ADAMSON. Well, it came direct from one of the two of them.  
 The CHAIRMAN. Yes.  
 August 1, 1934, deposit of \$1,400.  
 Mr. ADAMSON. That is cash.  
 The CHAIRMAN. Money?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. Is that deposit August 20 or August 14?  
 Mr. ADAMSON. No; that was August 20 they received it. The check was August 14.

The CHAIRMAN. August 20, 1934, deposit of \$250 on a check of G. M. P. Murphy & Co.?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. August 25, 1934, deposit of \$18.09 by two checks, no. 67—what bank is that?  
 Mr. ADAMSON. That is the Irving Trust.  
 The CHAIRMAN. Irving Trust. August 25, 1934, deposit of \$500 by cash.  
 Mr. ADAMSON. Cash.  
 The CHAIRMAN. August 27, 1934, deposit of \$40 with a check.  
 Mr. ADAMSON. Check.  
 The CHAIRMAN. That came through the mail, did it not?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. August 30, 1934, deposit through the mail \$241.54, a check.  
 Mr. ADAMSON. A check.  
 The CHAIRMAN. September 4, 1934, deposit of \$75—that came through the mail.  
 Mr. ADAMSON. Yes; probably a check.  
 The CHAIRMAN. You are unable to determine whether that is a check, but you think it is probably a check?  
 Mr. ADAMSON. Probably a check.  
 The CHAIRMAN. September 6, 1934, deposit of \$37.50, a Treasury check.  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. That is a Treasury of the United States check?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. September 15, 1934, deposit of \$250, on a check drawn on the Guaranty Trust Co.  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. October 1, 1934, \$233.38, a check of the Murphy Co.  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. That was sent through the mail?  
 Mr. ADAMSON. Through the mail.  
 The CHAIRMAN. October 4, 1934, deposit of \$37.50 check of the Treasury of the United States.  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. That was sent through the mail?  
 October 8, 1934, a deposit of \$1,001.75—that does not show whether it was cash or check, does it?  
 Mr. ADAMSON. No. It came by mail; probably a check.  
 The CHAIRMAN. You say it came through the mail?  
 Mr. ADAMSON. Yes; all those things came through the mail.  
 The CHAIRMAN. Probably a check?  
 Mr. ADAMSON. Yes.  
 The CHAIRMAN. Is that right?  
 Mr. ADAMSON. Yes.



The CHAIRMAN. October 31, \$480.13; the same thing, through the mail. This is an acknowledgment of yours of a deposit received through the mail?

Mr. ADAMSON. Yes; by mail.

The CHAIRMAN. Whether it is cash or check you do not know, but probably a check?

Mr. ADAMSON. Probably a check.

The CHAIRMAN. November 7, 1934, \$37.50; sent through the mail?

Mr. ADAMSON. Yes.

The CHAIRMAN. November 14, 1934, \$600; checks sent through the mail?

Mr. ADAMSON. Yes.

The CHAIRMAN. And November 19, 1934, \$40 in cash; is that right?

Mr. ADAMSON. Yes.

(THESE 30 DEPOSIT SLIPS REFERRED TO WERE RECEIVED IN EVIDENCE AND MARKED "EXHIBIT 1, NEW YORK, NOV. 23, 1934.")

The CHAIRMAN. Pursuant to the summons, have you produced certain other data?

Mr. ADAMSON. I have.

The CHAIRMAN. Will you present it, please?

Mr. ADAMSON. First is the letter from the safe deposit company about Mr. MacGuire's box.

The CHAIRMAN. This is a letter from the Central Hanover Safe Deposit Co. This shows that Mr. G. C. MacGuire rented a safe deposit box from the Central Hanover Safe Deposit Co., 60 Broadway, on August 14, 1934, and that the said safe-deposit box is still held in his name. Is that correct?

Mr. ADAMSON. It is.

The CHAIRMAN. That is in the name of Mr. MacGuire himself?

Mr. ADAMSON. Yes.

(THIS LETTER REFERRED TO WAS RECEIVED AND MARKED "EXHIBIT NO. 2, NEW YORK, NOV. 23, 1934.")

SEE PAGE 125.

The CHAIRMAN. Do you have some other papers?

Mr. ADAMSON. Yes.

The CHAIRMAN. Mr. Adamson, I show you certain records of the bank and ask whether or not on September 19, 1933, Mr. G. C. MacGuire purchased a letter of credit in the sum of \$2,300?

Mr. ADAMSON. He did.

The CHAIRMAN. And whether or not he purchased it with cash or by check?

Mr. ADAMSON. Well, to the best of my recollection, it was cash; I mean bills, because that word "cash" just simply means he paid for it all at once and it was not under his guarantee. To the best of my recollection, it was in cash.

The CHAIRMAN. What does your record show he paid with?

Mr. ADAMSON. My record does not actually show exactly what we received. I mean we don't record whether it was check or cash—I mean currency—but my recollection is that it was currency.

The CHAIRMAN. Yes. Was the letter of credit purchased through you?

Mr. ADAMSON. Yes.

The CHAIRMAN. By Mr. MacGuire?

Mr. ADAMSON. Yes.

The CHAIRMAN. And do you know Mr. MacGuire?

Mr. ADAMSON. Yes; well. I met him at those times. But I was actually present.

The CHAIRMAN. Yes. Now, what further does your record show; the record of the bank, with reference to this \$2,300 transaction? What happened to that letter of credit?

Mr. ADAMSON. Well, it shows that on September 21 he cashed a draft for \$300 at our branch at Forty-second Street.

The CHAIRMAN. New York City?

Mr. ADAMSON. New York City.

The CHAIRMAN. Yes?

Mr. ADAMSON. And then, on September 22 he cashed a draft for \$1,100 at the First National Bank of Chicago.

The CHAIRMAN. Yes?

Mr. ADAMSON. And on September 29 he cashed the balance of the credit, \$900, at the First National Bank of Chicago.

The CHAIRMAN. Did he receive three letters of credit for the \$2,300?

Mr. ADAMSON. Oh, no; just one; just one letter of credit.

The CHAIRMAN. But he took the money in three payments?

Mr. ADAMSON. Yes.

(Discussion off the record.)

The CHAIRMAN. How is it that if a person receives a letter of deposit for \$2,300 he can withdraw on three different occasions at banks in different cities? Will you explain that?

Mr. ADAMSON. That is what these travelers' letters of credit are for.

The CHAIRMAN. Just explain it.

Mr. ADAMSON. We issue this traveler's letter of credit, which gives any bank the right to pay this man up to the amount stated in the letter of credit, and until the date of expiration, and draw on us in reimbursement with a draft signed by the beneficiary.

The CHAIRMAN. And this shows—

Mr. ADAMSON. This shows the records of the payment.

The CHAIRMAN. He did that?

Mr. ADAMSON. Yes.

The CHAIRMAN. Now, does your record show that he obtained a letter of credit for \$4,000?

Mr. ADAMSON. On September 23.

The CHAIRMAN. 1933?

Mr. ADAMSON. Yes.

The CHAIRMAN. And where did he obtain that letter of credit?

Mr. ADAMSON. He obtained it from our head office, 70 Broadway.



The CHAIRMAN. And does your record show whether he obtained it with cash or by check?

Mr. ADAMSON. The record simply shows that he paid us the full amount. My recollection is that he paid us currency.

The CHAIRMAN. Currency?

Mr. ADAMSON. Yes.

The CHAIRMAN. Do you remember what kind of currency? Was it bills?

Mr. ADAMSON. Yes.

The CHAIRMAN. What kind?

Mr. ADAMSON. It was four \$1,000 bills.

The CHAIRMAN. Four \$1,000 bills, Mr. Adamson?

Mr. ADAMSON. Yes.

The CHAIRMAN. Four \$1,000 bills.

Now, when does the record show that that letter of credit was obtained?

Mr. ADAMSON. It was obtained on the 23d.

The CHAIRMAN. And when was it cashed?

Mr. ADAMSON. It was cashed on September 29, for the full amount, at the First National Bank of Chicago.

The CHAIRMAN. Yes. Now, on this letter of credit obtained on the 23d, did you have anything personally to do with its issuance? Mr. ADAMSON. Yes; I actually issued it and delivered it to Mr. MacGuire.

The CHAIRMAN. What were the circumstances, Mr. Adamson, if you remember?

Mr. ADAMSON. Well, there were no special circumstances. Mr. MacGuire had been introduced to the bank, I understand, and I was simply asked by one of the vice presidents to issue this letter of credit in his favor.

The CHAIRMAN. What vice president?

Mr. ADAMSON. Mr. J. K. Olyphant.

The CHAIRMAN. Did you issue that letter of credit to Mr. MacGuire personally?

Mr. ADAMSON. Yes.

The CHAIRMAN. Now, your records show a letter of credit issued to Mr. MacGuire on the same day for \$9,000 at the main office for cash. You remember these two letters of credit for \$13,000, do you?

Mr. ADAMSON. I do.

The CHAIRMAN. Can you tell us definitely whether or not Mr. MacGuire gave cash for those two letters of credit totaling \$13,000?

Mr. ADAMSON. As I said before, there is no record to show.

The CHAIRMAN. Do you remember?

Mr. ADAMSON. To the best of my recollection, he paid me nine \$1,000 bills.

The CHAIRMAN. In other words, were those two letters of credit obtained on the same date he paid you thirteen \$1,000 bills?

Mr. ADAMSON. Yes.

The CHAIRMAN. Do you remember how he paid for the premium—cash or check?

Mr. ADAMSON. That would be cash, too. Everything was cash. I mean everything was currency.

The CHAIRMAN. Now, when do your records show that was withdrawn and where?

Mr. ADAMSON. On September 29 for the full amount at the First National Bank of Chicago.

Mr. DICKSTEIN. It was only issued September 29, was it not?

Mr. ADAMSON. The 23rd.

The CHAIRMAN. Does your record show a letter of credit issued to Mr. MacGuire under date of September 27, 1933, in the sum of \$15,000?

Mr. ADAMSON. It does.

The CHAIRMAN. Issued at the main office?

Mr. ADAMSON. Yes.

The CHAIRMAN. And your record shows it was guaranteed by cash? And what does it say—"Charge drafts to cash"?

Mr. ADAMSON. It just shows that he paid us cash instead of being guaranteed.

The CHAIRMAN. How did he pay for the \$15,000 letter of credit?

Mr. ADAMSON. Well, according to my record, he gave me—

The CHAIRMAN. Gave you what?

Mr. ADAMSON. He gave me a certified check of Mr. A. W. Christman on either the Title Guaranty & Trust or the Lawyers Title; I forget the corporate title of the last.

The CHAIRMAN. Do you know where Mr. Christmas deposits?

Mr. ADAMSON. No.

The CHAIRMAN. And was it a certified check?

Mr. ADAMSON. Yes.

The CHAIRMAN. Of Mr. Christmas?

Mr. ADAMSON. Yes; a certified check. That is all I know.

The CHAIRMAN. Yes. Now, you have a photostatic copy of a letter from Mr. MacGuire to the Central Hanover Bank & Trust Co. under date of September 27, 1933, have you not?

Mr. ADAMSON. Yes.

The CHAIRMAN. What does that photostatic letter say?

Mr. ADAMSON. Well, the letter is our form.

The CHAIRMAN. Yes?

Mr. ADAMSON. Requesting us to issue a traveler's letter of credit in his favor for \$15,000.

The CHAIRMAN. Yes. Are there notations on this letter of yours?

Mr. ADAMSON. Yes.

The CHAIRMAN. All right.

Mr. ADAMSON. On which I have noted that instructions were to forward the letter of credit the next day to the First National Bank of Chicago for delivery to Mr. MacGuire and that we received a certified check of Mr. A. W. Christmas in settlement.

The CHAIRMAN. And does it carry a further memorandum "Put through tonight"?



Mr. ADAMSON. That just meant to put check through tonight.  
The CHAIRMAN. Does that refresh your memory that Mr. MacGuire wanted that check forwarded there?

Mr. ADAMSON. Oh, no; that has nothing to do with Mr. MacGuire. That is just our own routine.

The CHAIRMAN. Did Mr. MacGuire personally come in on each one of these transactions?

MR. ADAMSON. He did.

The CHAUMAN. With reference to this \$15,000 letter of credit he received on September 27, 1933, when does your record show that that was paid?

Mr. ADAMSON. On September 30.  
The CHAIRMAN. Where?  
Mr. ADAMSON. For the full amount at the First National Bank of Chicago.

The CHAIRMAN. All right.  
(THE BANK RECORDS ABOVE REFERRED TO WERE OFFERED IN EVIDENCE AS EXHIBIT 3 NEW YORK, NOV. 23, 1934.)

EXHIBIT NO. 3, NEW YORK, 11-23-1934

IN ACCOUNT WITH CENTRAL HANOVER BANK AND TRUST COMPANY, FOREIGN  
DEPARTMENT, 70 BROADWAY

Beneficiary				Mr. G. C. MacQuire				Straight guarantee		Cash	X	Issued by Main office
								Guarantee with collateral				
Num- ber	Date issued	Amt.	Comm	Date draft expires	Rec'd Thru	Debit	Comm	Credit	Old bal- ance	Balance	Guaranteed by Cash	Charge drafts to Cash L/C issued
5676	9-19-1933	\$2,300	-----	12/31/33							Approved by	
										Signed by I. D. A. L. 2. R. B. L.		
										Special instructions		
1	10/33	Negotiated by			Date draft paid							
1	9/21	I/C Opened Sep- tember 20 Central Hanover Bk & Tr Co			10/34			2,300 00		2,300 00		
1	9/22	NYC 42nd St 1st National Bank of Chicago Ill- nois			9/21	300 00			2,300 00	2,000 00		
1	9/20	1st National Bank of Chicago Ill- nois			9/23	1,100 00			2,000 00	900 00		
1		1/4 C Returned and Cancelled 10/3/33			9/30	900 00			900 00	00		

IN ACCOUNT WITH CENTRAL HANOVER BANK AND TRUST COMPANY, FOREIGN  
DEPARTMENT, 70 BROADWAY—Continued

Beneficiary					Mr. G. C. MacGuire					Straight guarantee		Cash	X	Issued by Main Office	
										Guarantee with collateral					
Number		Date issued	Amount	Comm.	Date expires	Negotiated by		Date draft paid	Rec'd Thru	Debit	Comm.	Credit	Old bal- ance		Balance
433		9-23-33	\$4,000		12-31-33				V	4,000.00		4,000.000			
1		9/29	L/C opened Sep- tember 23 1st National Bank Chicago, Illinois L/C returned and cancelled 10/3/33										4,000.00	4,000.00	

IN ACCOUNT WITH CENTRAL HANOVER BANK AND TRUST COMPANY, FOREIGN  
DEPARTMENT, 70 BROADWAY—Continued

Beneficiary		Mr. G. O. MacGuire				Straight guarantee				Cash	X	Issued by Main office
						Guarantee with collateral						Guaranteed by Cash
												Charge drafts to Cash L/O issued
												Approved by
												Signed by 1. R H L 2. B H
												Special instructions

Number	Date Issued	Amount	Comm	Date expires	Rec'd Thru	Debit	Comm.	Credit	Old bal- ance	Balance
577	9/23/33	\$9,000	-----	12/31/33	V	9,000.00		9,000.00	9,000.00	9,000.00
	9/29	L/O opened Sep- tember 23 1st National Bank of Chicago, Ill- nois L/O returned and cancelled 10/3/33			1933 9/30					★



IN ACCOUNT WITH CENTRAL HANOVER BANK AND TRUST COMPANY, FOREIGN DEPARTMENT, 70 BROADWAY—Continued

Beneficiary		Straight guarantee		Cash	X	Issued by Main office
Mr. G. C. MacGuire		Guarantee with collateral				Guaranteed by Cash
Number	Date issued	Amount	Comm	Date expires	Charge drafts to Cash L/C issued	
2701	9/27/33	\$15,000	-----	3/31/34	Approved by	
					Signed by 1. 2.	
					Special instructions	
1	Draft dated	Negotiated by	Date draft paid	Rec'd thru	Debit	Credit
2						
1	9/30	L/C opened September 27 First National Bank of Chicago L/C returned and cancelled 10/3/33	1933 10/1		15,000 00	15,000 00
					Old balance	Balance
					15,000 00	15,000 00
						. 00

CENTRAL HANOVER BANK AND TRUST COMPANY,  
70 Broadway, New York City.

GENTLEMEN: I've hand you herewith my/our check to your order for fifteen thousand seventy-five dollars, in payment of letter of credit no. 2704 for \$15,000.00, together with the usual commission of one-half of one percent on each draft drawn under the credit; it is agreed, however, that the sum total of such commissions shall not be less than (\$5.00) dollars.

In case the said letters of credit be either lost or stolen, I've hereby authorize you to send the usual circular to your correspondents notifying them of the loss, and to take such other precautions as you may deem advisable for the prevention of fraud, agreeing to pay any expenses attending the same, and in case of the cashing any drafts by any bank under the usual precautions and before the receipt of any circular I/we agree to indemnify you from any loss therefrom.

Very truly yours,

G. C. MacGuire.

Forward L/c 9/28 to First NB Chicago, for delivery. Certified check on A. W. Christmas put through tonight.

The CHAIRMAN. Do you have any questions, Mr. Dickstein?  
Mr. Dickstein. Yes. With reference to these letters of credit, you can draw on them almost any place, anywhere, in any form?  
Mr. Adamson. Yes.  
Mr. Dickstein. And usually these letters of credit are made out for a definite period, for 6 months, or a year?  
Mr. Adamson. Yes.

Mr. Dickstein. As a matter of fact, these particular letters of credit were good for how long, if not used?

Mr. Adamson. The record will show here. Well, the first one for \$2,300 was good until December 3, 1933.

Mr. Dickstein. That was how many months from the date of issuance?

Mr. Adamson. That was over 3 months.

Mr. Dickstein. Three months. And that was used within how long?

Mr. Adamson. Within 10 days.

Mr. Dickstein. The next one, that was good for how long?

Mr. Adamson. The next one was the same thing, good until the end of the year.

Mr. Dickstein. That is, 3 months?

Mr. Adamson. Three months. That was used within 6 days.

Mr. Dickstein. The next one?

Mr. Adamson. The one for \$9,000, the same expiration—

Mr. Dickstein. And it was used when?

Mr. Adamson. Three months. The one for \$15,000 was good for 6 months.

Mr. Dickstein. Six months? And it was used within?

Mr. Adamson. Used within 3 days.

The CHAIRMAN. All right. Thank you, Mr. Adamson. And will you also thank the officials of the bank on behalf of the committee?

Mr. Adamson. I shall be glad to do that.

(The subcommittee at this point heard testimony of other witnesses on another subject.)

(Following which the Chairman recalled Gerald C. MacGuire.)

# TESTIMONY OF GERALD C. MacGUIRE—Resumed

(The witness was accompanied by counsel, Mr. Marks.)

Mr. Dickstein. Mr. MacGuire, in my examination a few days ago, I asked you to produce a certain book in which you kept certain entries of moneys received and expended on your Chicago and other trips, and dealing with the purchase of these municipal bonds for Mr. Clark. Have you produced that book?

Mr. MacGuire. No, sir.

Mr. Dickstein. Where is it?

Mr. MacGuire. The only book I have is a book that is in there [indicating a suitcase of documents]. The other book I cannot locate.

Mr. Dickstein. Our minds met very clearly on the book we had in mind. You do not have that book, you say?

Mr. MacGuire. No, sir.

Mr. Dickstein. What effort did you make to find the particular book that you and I have in mind?

Mr. MacGuire. I have expended every bit of energy I could.

Mr. Dickstein. And you could not find it?

Mr. MacGuire. I could not find it.

Mr. Dickstein. In my examination a few days ago I asked you to give me a copy of a report that you made on your return from Europe, to Mr. Clark or to Mr. Christmas, a written report. Have you such a report, or did you find such a report, or could you find such a report?

Mr. MacGuire. I do not think I said that. I think I said I made a verbal report when I came back and during the time that I was over there in various places I had written.



Mr. Dickstein. You say you have no such report except you have general correspondence that you had with Mr. Clark?

Mr. MacGuire. Yes, sir.

Mr. Dickstein. Have you that correspondence here?

Mr. MacGuire. Yes, sir.

Mr. Dickstein. Will you produce it?

Mr. MacGuire. I think this is the information here [indicating documents].

Mr. Dickstein. Mr. MacGuire has produced for the record carbon copies of letters which he has written from Paris, from Genoa, and so forth.

Mr. MacGuire. On economic conditions in general.

Mr. Dickstein. We have here a carbon copy of a report dated May 6, 1934, from Paris. I assume that that was sent to somebody here. It is addressed: "Gentlemen." Were you not corresponding with Mr. Clark? If so, why did you address it "Gentlemen"?

Mr. MacGuire. That was addressed "Gentlemen" because it went to Mr. Clark and Mr. Christmas.

Mr. Dickstein. How is it that you addressed a letter April 6, 1934, from Paris directly to Robert Sterling Clark?

Mr. MacGuire. That was probably a separate item.

Mr. Dickstein. You have another memorandum here dated Paris, the 6th of April 1934, and it is addressed "My dear sir." You knew Clark very well. How is it you did not address him "My dear Clark"?

Mr. MacGuire. It must have been a typographical error.

Mr. Dickstein. There are two of them that we have called attention to now. Then you have one here of April 7, 1934, from Paris addressed to Robert Clark, "My dear Clark."

Mr. MacGuire. Well, that is only a detail.

Mr. Dickstein. There is another one dated April 9, addressed "Gentlemen" from Paris.

Also one dated April 24 addressed "Gentlemen" from Paris.

Then you have a memorandum in regard to management of holding companies, addressed to nobody in particular, it would seem.

Then you have one dated March 28, 1934, dealing with all countries, addressed "Gentlemen."

Have you got your expense account here?

Mr. MacGuire. Of the European trip?

Mr. Dickstein. Yes.

Mr. MacGuire. Yes, sir. Here is the expense account with the substantiating vouchers and the record that was kept daily.

Mr. Dickstein. For the record, the witness produces a statement which begins with March 9, 1934, and terminates with May 22, 1934, showing an expense total of \$7,934.76.

Did that money come from the funds provided by Mr. Clark or Mr. Christmas?

Mr. MacGuire. Mr. Clark gave me his check for \$5,000.

Mr. Dickstein. That is one of the items. You testified to that.

Mr. MacGuire. And another letter of credit of mine for \$1,500. The balance was cash that I expended myself that was reimbursed by Mr. Clark personally.

Mr. Dickstein. The \$1,500—was that your money?

Mr. Clark. Yes, sir.

Mr. Dickstein. Did you pay that yourself?

Mr. MacGuire. Yes, sir. That letter of credit is there, too.

Mr. Dickstein. Is there any testimony that you want to change, so that the record will be clear? Is there any testimony that you have given up to this time that you want to change?

Mr. MacGuire. None that I know of.

Mr. Dickstein. Mr. MacGuire at this point hands to the committee the record of the Committee for a Sound Dollar and Sound Currency, Inc., which organization, according to the records, was incorporated in the State of Delaware under the date of January 9, 1934. He also hands to the committee records showing that this organization was financed in the sum of \$31,000, \$30,000 of that money having been received from Robert Sterling Clark in three \$10,000 checks, to which he has previously testified, and the receipt of \$1,000 was from Mr. Walter Frew, chairman of the board of the Corn Exchange Bank.

Mr. MacGuire has also handed to the committee a certified audit of the finances of that incorporation, which show that all of the money was expended between the date of incorporation and June 30, 1934; and that such sums were paid for traveling expenses, printing, salaries, legal expenses, office expenses, and so forth.

The witness also permitted the committee to examine all canceled checks and vouchers and financial transactions of the Committee for a Sound Dollar and Sound Currency; and the same, so far as this committee can ascertain, were found to be in good order.

Mr. MacGuire now gives the committee—and it is marked "Exhibit No. A," of this date—a copy of an audit prepared by John A. Conlin, certified public accountant, Newark, N. J., for the period from December 4, 1933, to February 15, 1934.

**(THE DOCUMENT REFERRED TO WAS THEREUPON MARKED "EXHIBIT NO. A, NOV. 23, 1934.")**

Mr. Dickstein. Also a supplementary audit from February 16, 1934, to May 31, 1934. The audit, which includes the date May 31, 1934, shows a cash balance of \$560.44, which the witness stipulates has since been expended.

Mr. MacGuire. \$24 remaining, or something like that.

Mr. Dickstein. With a small sum remaining.

**(THE DOCUMENT ABOVE REFERRED TO WAS MARKED "EXHIBIT NO. B, NOV. 23, 1934.")**

Mr. Dickstein. Mr. MacGuire further gives the committee a carbon copy of all expenditures of the committee, showing dates, persons to whom moneys were paid, and the amounts so paid.

**(THE DOCUMENT REFERRED TO WAS THEREUPON MARKED "EXHIBIT NO. C, NOV. 23, 1934.")**

Mr. Dickstein. The witness also gives the committee the bank record of the Committee on a Sound Currency and a Sound Dollar. **(THE RECORD REFERRED TO WAS MARKED "EXHIBIT NO. D, NOV. 23, 1934.")**

(These four last-named exhibits are on file with the committee. See p. 161.)



Mr. DICKSTEIN. The witness has also made available to the committee correspondence with various people in the country on this subject, which the committee, so far as it knows, has found to be in order.

The CHAIRMAN. Referring to the statement in connection with the finances that has been given to the committee, we find that \$31,000 was received and \$31,000 was expended, with the exception of a balance of approximately \$24. We are not passing on the question whether those expenses were properly incurred, or anything of that kind. But, as far as the examination of the \$31,000 statement is concerned, the committee find that that amount of money was received, and approximately \$31,000 was spent. We are not passing on the purposes of the organization in whole or in part. I make that statement so that there will be no misunderstanding. The committee is confining itself merely to the amounts received and the amount expended. It finds that the amount received was expended. This has no relation, however, to any other sums of money.

Mr. DICKSTEIN. Mr. MacGuire, can you fix in your mind the date of the Newark meeting when you saw General Butler? Do you remember what month it was? Was it in September?

Mr. MacGuire. Mr. Chairman, I cannot remember. It ought to be a matter of record, whatever the date of that meeting was over there.

Mr. DICKSTEIN. Was it in the middle of the month?

Mr. MacGuire. I cannot say, really. As nearly as I can recall, Mr. Chairman, it was Sunday, September 17, 1933.

Mr. DICKSTEIN. Was that your second meeting with Butler or was it the third meeting with Butler?

Mr. MacGuire. I cannot recall whether it was the third or the fourth meeting. It was not the first.

The CHAIRMAN. Were you in Chicago during the dates shown by the hotel record, September 21 to October the 8th?

Mr. MacGuire. I am not sure whether I was there all the time during that period or whether I came back to New York a couple of times or whether I made a trip somewhere else. I am not quite sure.

The CHAIRMAN. You reserved the rooms during that period?

Mr. MacGuire. Yes. I think I was there during that time. I may have made a trip and come back to Chicago and kept the rooms because of the convention coming on.

The CHAIRMAN. Can you not tell us whether you did?

Mr. MacGuire. I really do not know.

The CHAIRMAN. Did you make 2 trips or 3 trips or 4 trips during that period? You would remember that, would you not?

Mr. MacGuire. I would not, Mr. Chairman.

Mr. DICKSTEIN. Have you had any other source of income outside of the moneys that you have received from Murphy & Co.?

Mr. MacGuire. My income since I have been working.

Mr. DICKSTEIN. I understand that, but I mean outside of the check of four hundred-and-some-odd dollars per month?

Mr. MacGuire. Commissions.

The CHAIRMAN. You did draw four-hundred-and-some-odd dollars a month. That was your fixed drawing account?

Mr. MacGuire. Not all the time.

Mr. DICKSTEIN. Was it less than that?

Mr. MacGuire. More than that.

Mr. DICKSTEIN. What was the average of the money that you received in the fiscal year ending January 1, 1933, from Murphy & Co.?

Mr. MacGuire. I think it was a total of \$9,200.

Mr. DICKSTEIN. That is after deducting your drawing account?

Mr. MacGuire. That is the money that I received.

Mr. DICKSTEIN. The total sum?

Mr. MacGuire. Yes.

Mr. DICKSTEIN. In 1934, up to this time, can you tell us how much you have received, approximately?

Mr. MacGuire. I cannot say.

Mr. DICKSTEIN. How about 1933?

Mr. MacGuire. I just told you that.

Mr. DICKSTEIN. How about '32?

Mr. MacGuire. In 1932 I believe it was around \$9,000.

Mr. DICKSTEIN. So that in the last 3 or 4 years it has averaged between nine and ten thousand dollars?

Mr. MacGuire. Well, I would not want to tie myself down.

Mr. DICKSTEIN. You ought to know how much you have received.

Mr. MacGuire. Whatever the records show, I received that amount.

Mr. DICKSTEIN. We do not want to go into all the records. You say that in 1934 and in 1933 it was around nine or ten thousand dollars?

Mr. MacGuire. Not 1934; 1934 has been a very bad year.

Mr. DICKSTEIN. In 1933 you say it was about nine or ten thousand dollars?

Mr. MacGuire. Yes, sir.

Mr. DICKSTEIN. And in 1932 about the same amount?

Mr. MacGuire. I think it was around \$8,800.

Mr. DICKSTEIN. You had no other income than what you received from Murphy & Co.?

Mr. MacGuire. Except my check from the Government.

Mr. DICKSTEIN. How much is that?

Mr. MacGuire. \$37 a month.

Mr. DICKSTEIN. A month?

Mr. MacGuire. Yes, sir. I have had a few trades and transactions that might come into there at different times.

Mr. DICKSTEIN. What do you mean by trades; you bought or sold bonds for customers?

Mr. MacGuire. Certain bonds.

Mr. DICKSTEIN. They were not your bonds?

Mr. MacGuire. No.

Mr. DICKSTEIN. You were acting as agent for somebody else?

Mr. MacGuire. Yes, sir.

Mr. DICKSTEIN. Looking at the account produced by you, Irving Trust Co., between September 18, 1933—which is the beginning of the account, I assume—to November 19, 1934, you show an amount on deposit of \$97,766.94. What kind of a transaction was that?

Mr. MacGuire. That was not a deposit, Mr. Dickstein.

Mr. DICKSTEIN. What was it?



Mr. MacGuire. For instance, there is an item there of \$150,000 of Pennsylvania Railroad 4 1/2's that the Irving Trust Co. cleared for me.

Mr. Dickstein. What were they—bonds?

Mr. MacGuire. Yes, sir.

Mr. Dickstein. Whose bonds were they?

Mr. MacGuire. Those were bonds that I picked up; Murphy & Co. had them, and I picked them up and sold them to the Irving Trust Co., and they sold them to somebody else. They cleared the transaction.

Mr. Dickstein. Did Murphy & Co. have to go to you to sell them to the Irving Trust Co.? Did they not have an account of their own?

Mr. MacGuire. Here are the slips [indicating papers].

Mr. Dickstein. The account was in the name of G. C. MacGuire. Why would Murphy & Co. give you some of their property?

Mr. MacGuire. They had no connection with this.

Mr. Dickstein. Who gave you these bonds?

Mr. MacGuire. Murphy & Co. did not give me these bonds. I bought them from them. The Irving Trust Co. cleared them.

Mr. Dickstein. Where did you get the money?

Mr. MacGuire. A bank takes bonds and clears them for a person, if you have an account there.

Mr. Dickstein. I ask you where these bonds came from and you said Murphy & Co. Is that correct?

Mr. MacGuire. That is right; yes, sir.

Mr. Dickstein. Then I ask you, Why did Murphy & Co. give you the bonds to clear and credit the amount of money for the purchase of them to your account? Why was it not done direct with Murphy & Co.? It seems to me it is a simple question.

Mr. MacGuire. I can see 150 bonds that are lying idle on the sheet of G. M.-P. Murphy & Co., or anybody else in Wall Street, and know where I can sell those bonds. I can take those bonds and go to the Irving Trust Co. and say, "I want to sell these bonds to so and so; will you clear them?" They will say, "Certainly." I have got an account there. They will handle it and clear it. It is just a clearance transaction.

Mr. Dickstein. So far as the bonds were concerned, it was not your property?

Mr. MacGuire. No. They were not my property.

Mr. Dickstein. Then why did not Murphy & Co. clear them through their own bank?

Mr. MacGuire. Because I sold the bonds.

The Chairman. What did you do with the money?

Mr. MacGuire. The money was checked out and credited to my account.

The Chairman. And where would the money go from there?

Mr. MacGuire. It is still in the account.

The Chairman. If you sold bonds belonging to Murphy and the money is credited to your account, why have you not paid that money back to Murphy?

Mr. MacGuire. This whole transaction is technical.

The Chairman. But it must be capable of an explanation. Where did you get these bonds?

Mr. MacGuire. G. M.-P. Murphy & Co.  
The Chairman. And they belong to them or to a client; is that right?

Mr. MacGuire. Yes.

The Chairman. Instead of Murphy & Co. selling them, you sold them?

Mr. MacGuire. Yes, sir. I bought them from them.

The Chairman. Where did you get the money with which to buy them?

Mr. MacGuire. The Irving Trust Co. took them in and loaned the money on them.

The Chairman. Loaned the money to whom?

Mr. MacGuire. To me.

The Chairman. And you paid Murphy & Co.?

Mr. MacGuire. The Irving Trust Co. paid Murphy & Co.

Mr. Dickstein. But it is credited to your account?

Mr. MacGuire. It is charged to my account and then recedited.

Mr. Dickstein. Your account in the Irving Trust Co. started with

\$1,500. How do you explain all of the rapid accumulations in it?

Mr. MacGuire. Different amounts of cash that I had that I put in there at different times.

The Chairman. These profits that you made, are they included in the average of 9 to 10 thousand dollars that you say you received from Murphy & Co. per year net?

Mr. MacGuire. They have not been included, because those profits were this year and I do not know yet what I have earned this year. I have not made up my income-tax report.

The Chairman. I am referring to last year. Any profits that you made from these stock transactions were outside of this income of 9 or 10 thousand dollars?

Mr. MacGuire. Yes, sir.

The Chairman. Can you give us an idea how much you earned from them?

Mr. MacGuire. From bond transactions?

The Chairman. Yes.

Mr. MacGuire. A very small amount, probably \$250.

The Chairman. That was all last year?

Mr. MacGuire. Yes, sir.

Mr. Dickstein. Referring to your account in the Central Hanover Bank, you started with a deposit on September 18, 1933, of \$2,000 in cash. That is correct, is it not?

Mr. MacGuire. Yes.

Mr. Dickstein. And on the same day you started an account in the Irving Trust Co. with \$1,500 in cash?

Mr. MacGuire. Yes, sir.

Mr. Dickstein. Then you had a deposit of \$200 in cash on September 23; a deposit on March 9 of \$1,300 in cash. That is right, is it not?

Mr. MacGuire. Yes.

Mr. Dickstein. Then you show another deposit on May 25 of \$1,100 in cash. The rest I see are all checks.

There is another item of \$1,400 in cash, August 1, 1934; another item of cash on August 25 of \$500; another item of cash of \$40 on November 19, 1934.